

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the
Former Inglewood Redevelopment Agency

One Manchester Boulevard
Inglewood, California 90301

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Table of Contents

Introduction	1
Part I: Property Inventory	1
Prairie & 101 st B-1.1 (Parcel 1)	2
Acquisition Information.....	2
Purpose of Acquisition	2
Parcel Data	2
Current Value.....	2
Advancement of Planning Objectives.....	2
History of Development Proposals and Activity	2
Property Information.....	2
Prairie & 102 nd B-1.2 (Parcels 2 & 3)	4
Acquisition Information.....	4
Purpose of Acquisition	4
Parcel Data	4
Current Value.....	4
Advancement of Planning Objectives.....	4
History of Development Proposals and Activity	4
Property Information.....	4
102 nd Street B-2 (Parcels 4 - 8).....	6
Acquisition Information.....	6
Purpose of Acquisition	6
Parcel Data	6
Current Value.....	6
Advancement of Planning Objectives.....	6
History of Development Proposals and Activity	6
Property Information.....	6
Century & Prairie B-3 (Parcels 9-13):.....	8
Acquisition Information.....	8
Purpose of Acquisition	8
Parcel Data	8
Current Value.....	8

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Advancement of Planning Objectives.....	8
History of Development Proposals and Activity	8
Property Information.....	8
Barton & Woodworth B-7 (Parcels 14 & 15):.....	10
Acquisition Information.....	10
Purpose of Acquisition	10
Parcel Data	10
Current Value.....	10
History of Development Proposals and Activity	10
Property Information.....	10
Imperial & Prairie B-8 (Parcels 16 – 19):.....	11
Acquisition Information.....	11
Purpose of Acquisition	11
Parcel Data	11
Current Value.....	11
Advancement of Planning Objectives.....	11
History of Development Proposals and Activity	11
Property Information.....	11
D-3 Site (Parcels 20 – 30)	13
Acquisition Information.....	13
Purpose of Acquisition	13
Parcel Data	13
Current Value.....	13
Advancement of Planning Objectives.....	13
History of Development Proposals and Activity	13
Property Information.....	13
Market Street Site D-4 (Parcel 31):.....	15
Acquisition Information.....	15
Purpose of Acquisition	15
Parcel Data	15
Current Value.....	15
Advancement of Planning Objectives.....	15
History of Development Proposals and Activity	15
Property Information.....	15

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Market Street Site D-5 (Parcel 32):.....	17
Acquisition Information.....	17
Purpose of Acquisition	17
Parcel Data	17
Current Value.....	17
Advancement of Planning Objectives.....	17
History of Development Proposals and Activity	17
Property Information.....	17
Market Street Site D-6 & D-7 (Parcel 33 & 34).....	19
Acquisition Information.....	19
Purpose of Acquisition	19
Parcel Data	19
Current Value.....	19
Advancement of Planning Objectives.....	19
History of Development Proposals and Activity	19
Property Information.....	19
Glasgow & Olive K-1 (Parcels 35-42)	21
Acquisition Information.....	21
Purpose of Acquisition	21
Parcel Data	21
Current Value.....	21
Advancement of Planning Objectives.....	21
Property Information.....	21
History of Development Proposals and Activity	22
Parking Structure 1 (Parcel 43).....	23
Acquisition Information.....	23
Purpose of Acquisition	23
Parcel Data	23
Current Value.....	23
Advancement of Planning Objectives.....	23
History of Development Proposals and Activity	23
Property Information.....	23
Parking Structure 2 (Parcel 44).....	25
Acquisition Information.....	25

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Purpose of Acquisition	25
Parcel Data	25
Current Value.....	25
Advancement of Planning Objectives.....	25
History of Development Proposals and Activity	25
Property Information	25
Senior Center Development SC-1 (Parcels 45, 46):.....	27
Acquisition Information.....	27
Purpose of Acquisition	27
Parcel Data	27
Current Value.....	27
History of Development Proposals and Activity	27
Property Information	27
Part II: Property Disposition & Use	29
Summary of Plan Category Decision	29
Redevelopment Plan.....	29
Implementation Plan	31
Long-Term Planned Use / Disposition of Each Property	32
Properties to be Retained for Governmental Use	32
Properties to be Sold	32
DOWNTOWN SITES D-3, D-4, D-5, D-6, and D-7 (Parcels 20-34)	34
LAX NOISE MITIGATION PROPERTIES (B-1, B-2, and B-3)	34
Properties to be Retained for Future Development	34
Implementation Steps.....	35
Government Use.....	35
For Sale	35
Properties to be Retained for Development – Guidelines for Future Development.....	35

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

INTRODUCTION

As required by Health & Safety Code Section 34191.5, this document is the Long-Range Property Management Plan (LRPMP) of the Successor Agency (Successor Agency) of the former Redevelopment Agency of the City of Inglewood (Former RDA). The Successor Agency received a finding of completion from the Department of Finance (DOF) on December 29, 2014.

In accordance with Health & Safety Code Section 34191.5(c), Part I of the LRPMP includes an inventory of properties included in the Community Redevelopment Property Trust Fund, and Part II provides the proposed plan for disposition and uses of each of the properties.

PART I: PROPERTY INVENTORY

Section 34191.5(c)(1) of the Health and Safety Code, which was added as part of Assembly Bill 1484 (AB 1484), requires that the LRPMP include an inventory of all properties held in the Community Redevelopment Property Trust Fund. For the Successor Agency, this inventory identifies 46 parcels comprising 14 properties.

The following pages describe each of the following 14 properties, and the applicable legal parcel or parcels comprising each:

Property Name	Parcel Number on Inventory
Prairie & 101 st (B-1.1)	1
Prairie & 102 nd (B-1.2)	2, 3
102 nd Street (B-2)	4, 5, 6, 7, 8
Century & Prairie (B-3)	9, 10, 11, 12, 13
Barton & Woodworth (B-7)	14, 15
Imperial & Prairie (B-8)	16, 17, 18, 19
D-3 Site	20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30
Market Street (D-4)	31
Market Street (D-5)	32
Market Street (D-6 & D-7)	33, 34
Glasgow & Olive (K-1)	35, 36, 37, 38, 39, 40, 41, 42
Parking Structure (P-1)	43
Parking Structure (P-2)	44
Senior Center Development (SC-1)	45, 46

The following pages describe the parcels grouped as 14 properties.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Prairie & 101st B-1.1 (Parcel 1)



Acquisition Information

In March 1993, the former Agency purchased 1.10-acre parcel for \$952,697, or approximately \$20 per square foot of land area.

Purpose of Acquisition

The site was acquired to assemble a 6.61-acre developable parcel for a retail shopping center.

Parcel Data

The property is zoned for Heavy Manufacturing (M-2) and is restricted by an aviation easement that requires noise compatible future land uses. The parcel has frontage along Prairie Avenue, which is a major street in the City and is located in the former Century Redevelopment Project Area.

Current Value

The current value of the property is estimated at \$1.15 million, or \$24 per square foot of land area, based on the land sale comparables for commercial land.

Advancement of Planning Objectives

See Implementation Plan (Appendix A).

History of Development Proposals and Activity

The site was assembled with the goal of creating a 6.61 acre developable parcel. Parcel 1 is owned by the Successor Agency, one parcel is privately owned and the remaining parcels are owned by the City. A street vacation was to take place to complete the 6.61-acre developable parcel.

An RFP that included the former Agency parcel was issued in April 2006. A private developer was selected. The proposed project was an 84,155 square foot commercial / retail project with 349 parking spaces. In July 2007, the former Agency and developer entered into an exclusive negotiations agreement (ENA). The ENA required the developer to provide signed letters of commitment from national credit-rated tenants. Because of the 2008 recession, some of the commitments fell through. By February 2010, the developer was able to secure new lease commitments.

PROPERTY INFORMATION

Address:

10117 Prairie Avenue

Assessor's Parcel #:

4034-005-900

Lot Size:

48,007 sf (1.1-Acre)

Acquisition Date:

March 1993

Acquisition Price:

\$952,697

Existing

Improvements:

Vacant

Current Zoning:

M-2 Heavy Manufacturing

Use Restrictions:

LAX Easement

Revenues Generated:

None

Contractual

Requirements:

None

Environmental Contamination /

Remediation:

Phase 1 Completed

TOD Potential:

None

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

The developer was also required to purchase the remaining private parcel. As of June 2010, negotiations between the developer and the private owner were at a standstill with the ENA subsequently cancelled.

At this time, all but one parcel is under the City's control, including Parcel 1. The City has been approached by a number of developers interested in developing a commercial development on the 6.61-acre site. The City plans to acquire the one remaining parcel to complete site assemblage of the 6.61-acre site.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Prairie & 102nd B-1.2 (Parcels 2 & 3)



Acquisition Information

In March 1984, the former Agency purchased this 8,680 sf parcel for \$236,000, or approximately \$27 per square foot of land area.

Purpose of Acquisition

The site was acquired to assemble a larger developable parcel for a retail shopping center.

Parcel Data

The property is zoned for Light Manufacturing (M-1L) and is restricted by an aviation easement that requires noise compatible future land uses. The parcel has frontage along Prairie Avenue, which is a major street in the City and is located in the former Century Redevelopment Project Area.

Current Value

The current value of the property is estimated at \$208,000, or about \$24 per square foot of land area, based on the land sale comparables for commercial land.

Advancement of Planning Objectives

See Implementation Plan (Appendix A).

History of Development Proposals and Activity

The site was assembled with the goal of creating a larger developable parcel. Parcel 1 across the street is owned by the Successor Agency

An RFP that included the former Agency parcel was issued in April 2006. A private developer was selected. The proposed project was an 84,155 square foot commercial / retail project with 349 parking spaces. In July 2007, the former Agency and developer entered into an exclusive negotiations agreement (ENA). The ENA required the developer to provide signed letters of commitment from national credit-rated tenants. Because of the 2008 recession, some of the commitments fell through. By February 2010, the developer was able to secure new lease commitments.

As of June 2010, negotiations between the developer and the private owner were at a standstill with the ENA subsequently cancelled.

PROPERTY INFORMATION

Address:

10126 Prairie Avenue

Assessor's Parcel #:

4032-001-900, -901

Lot Size:

8,680 sf

Acquisition Date:

March 1984

Acquisition Price:

\$236,000

Existing

Improvements:

Vacant

Current Zoning:

M-1L Light Manufacturing

Use Restrictions:

LAX Easement

Revenues Generated:

None

Contractual

Requirements:

None

Environmental Contamination /

Remediation:

None

TOD Potential:

None

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

The City has control of certain portions of larger nearby sites and continues to receive strong interest from national credit-rated retailers who wish to locate around Century Boulevard and Prairie Avenue. In addition, there has been interest from developers for airfreight warehousing, which is land intensive, has little if any sales tax generation and a very limited number of jobs created per square foot than retail uses.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

102nd Street B-2 (Parcels 4 - 8)



Acquisition Information

From 1974 through 1992, the former Agency acquired the parcels for a total of \$5.45 million, or approximately \$41 per square foot of land area.

Purpose of Acquisition

The site was acquired to assemble a larger developable parcel for an entertainment retail project.

Parcel Data

The 3.08-acre property is zoned for Light Manufacturing (M-1L) and is restricted by an aviation easement that requires noise compatible future land uses. The property is located in the former Century Redevelopment Project Area.

Current Value

The current value of the property is estimated at \$1.88 million, or \$14 per square foot of land area, based on the land sale comparables for flex/industrial land.

Advancement of Planning Objectives

See Implementation Plan (Appendix A).

History of Development Proposals and Activity

The property was assembled along with other parcels in the area to be part of a proposed larger development site that was bounded by Century Boulevard to the north, Yukon to the east, Prairie to the west and parcels along both sides of West 102nd Street. This proposed development was called Inglewood Promenade Development. To the east of the property, power retail centers have been developed.

The former Agency circulated an RFP to interested parties in January 2004 and a private developer was selected and an ENA was approved in July 2004. Over the next several years, up to 2009, the site started with 11 acres of City-owned land and grew to include over 52 acres of private, City, and former-Agency owned land. The developer was responsible to purchase the private parcels.

PROPERTY INFORMATION

Address:

3822 Century Blvd; 3831, 3843, 3851, 3821 102nd Street

Assessor's Parcel #:

4032-002-913 through 917

Lot Size:

134,034 sf

Acquisition Date:

1974 - 1992

Acquisition Price:

\$5,448,331

Existing Improvements:

Vacant

Current Zoning:

M-1L Light Manufacturing

Use Restrictions:

LAX Easement

Revenues Generated:

None

Contractual Requirements:

None

Environmental Contamination / Remediation:

Phase 1 Completed

TOD Potential:

None

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Despite strong interest from the retail community as evidenced by letters of commitment, the developer was unable to secure the necessary financing to implement the project due to the 2008 recession. In January 2010, the former Agency terminated all negotiations with the developer.

The City has control of certain portions of the larger site and continues to receive strong interest from national credit-rated retailers who wish to locate along Century Boulevard. In addition, there has been interest from developers for airfreight warehousing, which is land intensive, has little if any sales tax generation and a very limited number of jobs created per square foot than retail uses.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Century & Prairie B-3 (Parcels 9-13):



Acquisition Information

Between 1987 and 1991, the former Agency acquired the 5.2-acre site for \$5.69 million, or approximately \$25 per square foot of land area.

Purpose of Acquisition

The parcels were acquired to assemble a larger development site for an entertainment retail project.

Parcel Data

The parcels are located in the former Century Redevelopment Project Area and are currently vacant. The zoning is for light manufacturing and is restricted by an avigation easement that requires noise compatible future land uses.

Current Value

The current value of the property is \$3.15 million, or \$14 per square foot of land area, based on the land sale comparables for flex/industrial land.

Advancement of Planning Objectives

See Implementation Plan (Appendix A).

History of Development Proposals and Activity

The property was assembled along with other parcels in the area to be part of a proposed larger development site that was bounded by Century Boulevard to the north, Yukon to the east, Prairie to the west and parcels along both sides of West 102nd Street.

To the east of the property, power retail centers have been developed, which serve as a catalyst for future related development use.

The former Agency circulated an RFP to interested parties in January 2004 and a private developer was selected and an ENA was approved in July 2004. Over the next several years, up to 2009, the site started with 11 acres of city-owned land and grew to include over 52 acres of private, City, and former-Agency owned land. The developer was responsible to purchase the private parcels.

PROPERTY INFORMATION

Address:

3665, 3703 102nd St; 3700 Century Blvd; No Address

Assessor's Parcel #:

4032-003-912; 4032-003-914, 915; 4032-004-913,914

Lot Size:

224,960 sf

Acquisition Date:

1987 - 1991

Acquisition Price:

\$5,691,510

Existing Improvements:

Vacant

Current Zoning:

M-1L

Use Restrictions:

None

Revenues Generated:

None

Contractual Requirements:

None

Environmental Contamination / Remediation:

Phase 1 Completed

TOD Potential:

None

Current Owner:

Successor Agency

Long-Range Property Management Plan

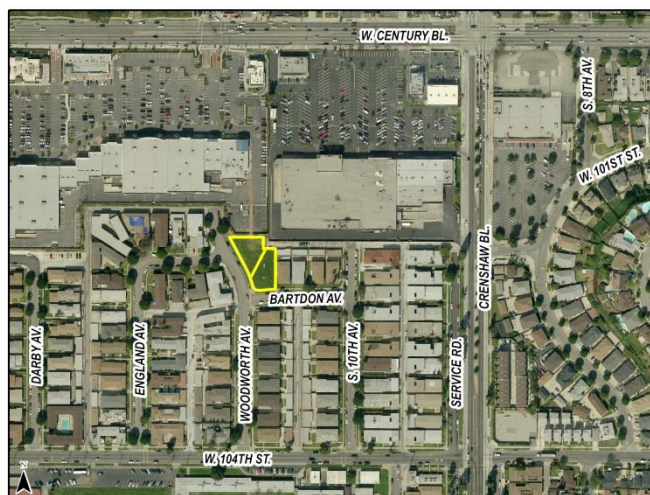
City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Despite strong interest from the retail community as evidenced by letters of commitment, the developer was unable to secure the necessary financing to implement the project due to the 2008 recession. In January 2010, the former Agency terminated all negotiations with the developer.

The City has control of certain portions of the larger site and continues to receive strong interest from national credit-rated retailers who wish to locate along Century Boulevard. In addition, there has been interest from developers for airfreight warehousing, which is land intensive, has little if any sales tax generation and a very limited number of jobs created per square foot than retail uses.

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Barton & Woodworth B-7 (Parcels 14 & 15):



Acquisition Information

The parcels were purchased in August 2008 by the former Agency for \$543,750, or approximately \$35 per square foot of land area.

Purpose of Acquisition

The parcels were purchased to implement the Village Specific Plan, which calls for much needed open space in existing dense residential area. It is intended to be the primary portion of Central Park.

Parcel Data

The parcels are isolated in a dense residential area and have developed crime/nuisance problems. The property topography is sloped and is zoned as open space. Inglewood Municipal Code section 12-38.20 sets out the intent and purpose of the open space zone in the City of Inglewood as “intended to prohibit intensive urban development of those areas of the City which present hazards from flooding, erosion, geologic instability earthquake faulting, and where such development would adversely affect public use and natural environment benefits; and to assure permanent open space in and for public parks and recreation areas.”

Current Value

The property is valued at \$0 due to the limitations of the current zoning.

History of Development Proposals and Activity

There have been no development proposals for this property other than the original proposal of open space as envisioned by the Village Specific Plan. The City has not yet secured funding to provide improvements other than to maintain the condition and public safety of the property.

PROPERTY INFORMATION

Address:

Barton & Woodworth

Assessor's Parcel #:

4030-007-905, -906

Lot Size:

15,339 sf

Acquisition Date:

August 2008

Acquisition Price:

\$543,750

Existing Improvements:

Vacant

Current Zoning:

Open Space / Recreation /
Village (OS-V) Land Use
Village Specific Plan Zoning

Use Restrictions:

Restricted to Open Space

Revenues Generated:

None

Contractual Requirements:

None

Environmental Contamination / Remediation:

Phase 1 Completed

TOD Potential:

None

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Imperial & Prairie B-8 (Parcels 16 – 19):



Acquisition Information

Between 1994 and 2000, the former Agency acquired the four parcels for \$775,295, or approximately \$19 per square foot of land area.

Purpose of Acquisition

These parcels are Caltrans remnant parcels that became available after the completion of the 105 Century Freeway. The site was acquired for commercial, retail, auto retail center or multi-family purposes.

Parcel Data

A public street cuts through the property that will be required to be vacated to maximize the site's potential use. The site is located in the former Prairie-Imperial Redevelopment Project Area. The site is vacant with the exception of the signage space that is leased to Hollywood Park. The site is zoned light manufacturing and open space.

Current Value

The current value of the property is \$689,000, or approximately \$5.43+ per square foot of land area, based on the land sale comparables for limited service hotel land.

Advancement of Planning Objectives

See Implementation Plan (Appendix A).

History of Development Proposals and Activity

The property is currently leased to Hollywood Park Land Company, LLC, who has constructed an electronic pylon sign advertising the Hollywood Park Casino. The lease agreement was entered into on May 13, 1997 for a 10 year period. The lease has been extended on the same terms and conditions for renewal periods of five years each and provides a right of first refusal to Hollywood Park Land Company, LLC to purchase the property in the event the former Agency proposed to sell it. The Hollywood Park Land Company, LLC has expressed a desire to exercise that right and purchase the property. In the past, development proposals have been submitted for the site that include auto sales and repair services as

PROPERTY INFORMATION

Address:

11305 Prairie Avenue

Assessor's Parcel #:

4035-018-900,-901,-902,-903

Lot Size:

126,663 sf

Acquisition Date:

1994 - 2000

Acquisition Price:

\$775,295

Existing

Improvements:

Vacant

Current Zoning:

M-1L and OS

Use Restrictions:

None

Revenues Generated:

\$18,000/year

Contractual

Requirements:

Signage lease

Environmental Contamination / Remediation:

Phase 1 Completed

TOD Potential:

Yes

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

well as a hotel. All proposals considered have assumed that the sign lease would remain. The sign is an important element to the Century redevelopment plan and the Hollywood Park Casino.

The former Agency circulated an RFP for the property in April 2006. At that time an ENA for the site was entered into for the development of a new car dealership. Negotiations proved unsuccessful and ultimately the ENA expired. In September 2008, the former Agency accepted an unsolicited proposal and entered into an ENA to develop an auto service related condominium. Negotiations for a DDA began and the developer was required to secure planning approvals. In September 2010, the project was submitted to the City's Planning Commission where it was denied. An appeal was made to the City Council but the action of the Planning Commission was upheld. The ENA with the developer terminated in December 2010.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

D-3 Site (Parcels 20 – 30)



Acquisition Information

In March 1989, the former Agency acquired the site for \$3.69 million, or approximately \$31 per square foot of land area.

Purpose of Acquisition

The site has been assembled for the purpose of a retail development.

Parcel Data

The 2.76-acre site is located at the northern end of Inglewood's downtown and across from the Civic Center, in the former In-Town Redevelopment Project Area. Across the street, on the northern end of the site, is a new transit station for the LAX/Crenshaw line is being constructed by the Los Angeles County Metropolitan Transit Authority (Metro). The site is currently vacant with the exception of Parcel 19, which is improved with a surface parking lot with 41 parking spaces.

Current Value

The current value of the property is \$3.98 million, or \$33 per square foot of land area, based on the land sale comparables for mixed-use land.

Advancement of Planning Objectives

See Implementation Plan (Appendix A); Visioning Report for Downtown TOD with aerial map of this site followed by renderings (Appendix B); Urban Land Institute TOD Technical Assistance Report (Appendix C).

History of Development Proposals and Activity

Grants have been provided to the City to develop the implementation tools to create transit oriented development (TOD) standards within a quarter mile of the station. These grants include the following:

- SCAG Compass Blueprint TOD Grant – The City received a \$250,000 grant to prepare a visioning document and conceptual TOD Land Use Plan.
- Urban Land Institute (ULI) Transit Oriented Development Technical Assistance Panel (TAP) – A multi-disciplinary team held a two-day workshop with the City and community stakeholders to provide baseline considerations for the City's future development of a TOD district.

PROPERTY INFORMATION

Address:

205, 223, 237, 221, 219, 213 N Market Street; 204,214, 228 N La Brea Ave

Assessor's Parcel #:

401-028-900 through 909, vacated alley

Lot Size:

120,418 sf (2.76 acres)

Acquisition Date:

March 1989

Acquisition Price:

\$3,691,625

Existing

Improvements:

Vacant and parking lot

Current Zoning:

C-1

Use Restrictions:

None

Revenues Generated:

\$8,820 per year

Contractual

Requirements:

Parking lease

Environmental

Contamination /

Remediation:

Phase 1 Completed

TOD Potential:

Yes

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

- Metro TOD Grant – In 2012, Metro awarded the City a \$700,000 TOD grant to prepare updated policy documents to implement TOD in the area of the Florence-La Brea and Florence-West stations in the City. The City has requested an extension to implement this grant during the 2014/15 fiscal year.

The ultimate development of this site is critical to the success of the TOD program and the revitalization of the City's downtown. Prior to the decision to construction the LAX/Crenshaw line, the City entered into a DDA to develop a retail center on the site.

In April 2004, the former Agency circulated an RFP and entered into an ENA with a private developer in March 2005 for the development of a mixed-use project. In September 2007, the former Agency and developer entered into a DDA. The developer began the process to entitle the property and secure building permits over the next year. In November 2008, the developer allowed their plan check review to expire, defaulting on a critical milestone. In July 2009, the developer was sent a Notice of Default and Termination Notice. The primary reason for the developer's default was the loss of project funding as a result of the 2008 recession.

In early 2010, the City was contacted regarding the location of a transit station near Florence Boulevard and La Brea as part of the new LAX/Crenshaw metro line. The City and former Agency staff worked with Metro to ultimately locate the new transit station to the north of this site, creating TOD opportunities for the former Agency-owned properties along Market Street.

Parcel 19 is currently leased to a neighboring commercial bank for the use of the 41 parking spaces for their employees and generates \$8,820 per year.

On July 23, 2014 the Successor Agency issued a Request for Development Team Qualifications for a transit oriented/mixed-use development opportunity for the downtown Inglewood/Market Street Revitalization. The RFQ included Parcels 19 -29. A number of submittals were received from development entities interested in pursuing the project, from which the City selected five finalists. The submittals from the finalists include a variety of land uses, including: market rate housing, retail, restaurant space and cultural amenities.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Market Street Site D-4 (Parcel 31):



Acquisition Information

In April 2010, the former Agency acquired the parcel for \$1.50 million, or approximately \$86 per square foot of land area or \$195 per square foot of gross building area.

Purpose of Acquisition

The site, located within the City's downtown, was purchased to facilitate mixed-use development that would incorporate retail and residential.

Parcel Data

The 0.40-acre site is zoned Commercial and is located in the former In-Town Redevelopment Project Area. The site is currently improved with a vacant 7,694 square foot commercial building that was built in 1924 and is in need of substantial rehabilitation.

Current Value

The current value of the property is \$525,000, or \$70 per square foot of land area, based on the land sale comparables for mixed-use land.

Advancement of Planning Objectives

See Implementation Plan (Appendix A); Visioning Report for Downtown TOD with aerial map of this site followed by renderings (Appendix B); Urban Land Institute TOD Technical Assistance Report (Appendix C).

History of Development Proposals and Activity

The City has been assembling property along Market Street for the purpose of revitalizing the City's older downtown and to encourage mixed-use projects. The site is adjacent to the old Fox Theater that is currently closed. Various planning studies have been conducted toward developing implementation standards for mixed-use development, including a parking study.

PROPERTY INFORMATION

Address:

125 Market Street

Assessor's Parcel #:

4021-008-913

Lot Size:

7,500 sf

Acquisition Date:

April 2010

Acquisition Price:

\$1,504,333

Existing Improvements:

Vacant commercial building

Current Zoning:

C-1

Use Restrictions:

None

Revenues Generated:

None

Contractual Requirements:

None

Environmental Contamination / Remediation:

Phase 1 Completed

TOD Potential:

Yes

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

The following grants have been received that impact this site:

- SCAG Compass Blueprint TOD Grant – The City received a \$250,000 grant to prepare a visioning document and conceptual TOD Land Use Plan.
- Urban Land Institute (ULI) Transit Oriented Development Technical Assistance Panel (TAP) – A multi-disciplinary team held a two-day workshop with the City and community stakeholders to provide baseline considerations for the City's future development of a TOD district.
- Metro TOD Grant – In 2012, Metro awarded the City a \$700,000 TOD grant to prepare updated policy documents to implement TOD in the area of the Florence-La Brea and Florence-West stations in the City. The City has requested an extension to implement this grant during the 2014/15 fiscal year.

On July 23, 2014 the Successor Agency issued a Request for Development Team Qualifications for a transit oriented/mixed-use development opportunity for the downtown Inglewood/Market Street Revitalization. The RFQ included Parcel 30. A number of submittals were received from development entities interested in pursuing the project, from which the City selected five finalists. The submittals from the finalists include a variety of land uses, including: market rate housing, retail, restaurant space and cultural amenities.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Market Street Site D-5 (Parcel 32):



Acquisition Information

In June 2010, the former Agency acquired the parcel for \$675,000, or approximately \$45 per square foot of land area.

Purpose of Acquisition

The site, located within the City's downtown, was purchased to facilitate mixed-use development that would incorporate retail and residential.

Parcel Data

The 0.34-acre site is zoned Commercial and is located in the former In-Town Redevelopment Project Area. The site is currently vacant.

Current Value

The current value of the property is \$450,000, or \$30 per square foot of land area, based on the land sale comparables for mixed-use land.

Advancement of Planning Objectives

See Implementation Plan (Appendix A); Visioning Report for Downtown TOD with aerial map of this site followed by renderings (Appendix B); Urban Land Institute TOD Technical Assistance Report (Appendix C).

History of Development Proposals and Activity

The City has been assembling property along Market Street for the purpose of revitalizing the City's older downtown and to encourage mixed-use projects. The site is adjacent to the old Fox Theater that is currently closed. Various planning studies have been conducted toward developing implementation standards for mixed-use development, including a parking study.

The following grants have been received that impact this site:

- SCAG Compass Blueprint TOD Grant – The City received a \$250,000 grant to prepare a visioning document and conceptual TOD Land Use Plan.
- Urban Land Institute (ULI) Transit Oriented Development Technical Assistance Panel (TAP) – A multi-disciplinary team held a two-day workshop with the City

PROPERTY INFORMATION

Address:

139 Market Street

Assessor's Parcel #:

4021-008-914

Lot Size:

14,998 sf

Acquisition Date:

June 2010

Acquisition Price:

\$675,000

Existing

Improvements:

Vacant

Current Zoning:

C-1

Use Restrictions:

None

Revenues Generated:

None

Contractual

Requirements:

None

Environmental Contamination /

Remediation:

Phase 1 Completed

TOD Potential:

Yes

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

and community stakeholders to provide baseline considerations for the City's future development of a TOD district.

- Metro TOD Grant – In 2012, Metro awarded the City a \$700,000 TOD grant to prepare updated policy documents to implement TOD in the area of the Florence-La Brea and Florence-West stations in the City. The City has requested an extension to implement this grant during the 2014/15 fiscal year.

On July 23, 2014 the Successor Agency issued a Request for Development Team Qualifications for a transit oriented/mixed-use development opportunity for the downtown Inglewood/Market Street Revitalization. The RFQ included Parcel 31. A number of submittals were received from development entities interested in pursuing the project, from which the City selected five finalists. The submittals from the finalists include a variety of land uses, including: market rate housing, retail, restaurant space and cultural amenities.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Market Street Site D-6 & D-7 (Parcel 33 & 34)



Acquisition Information

In May 1999 and December 2002, the former Agency acquired the two parcels for a total of \$477,725, or approximately \$21 per square foot of land area.

Purpose of Acquisition

The site, located within the City's downtown, was purchased to facilitate mixed-use development that would incorporate retail and residential.

Parcel Data

The 0.53-acre site is zoned Commercial and is located in the former In-Town Redevelopment Project Area. The site is currently vacant.

Current Value

The current value of the property is \$694,000, or \$30 per square foot of land area, based on the land sale comparables for mixed-use land.

Advancement of Planning Objectives

See Implementation Plan (Appendix A); Visioning Report for Downtown TOD with aerial map of this site followed by renderings (Appendix B); Urban Land Institute TOD Technical Assistance Report (Appendix C).

History of Development Proposals and Activity

The City has been assembling property along Market Street for the purpose of revitalizing the City's older downtown and to encourage mixed-use projects. The site is adjacent to the old Fox Theater that is currently closed. Various planning studies have been conducted toward developing implementation standards for mixed-use development, including a parking study.

The following grants have been received that impact this site:

- SCAG Compass Blueprint TOD Grant – The City received a \$250,000 grant to prepare a visioning document and conceptual TOD Land Use Plan.
- Urban Land Institute (ULI) Transit Oriented Development Technical Assistance Panel (TAP) – A multi-disciplinary team held a two-day workshop with the City

PROPERTY INFORMATION

Address:

140 & 150 Market Street

Assessor's Parcel #:

4021-007-904, 906

Lot Size:

23,125 sf

Acquisition Date:

May 1999, Dec 2002

Acquisition Price:

\$477,725

Existing

Improvements:

Vacant

Current Zoning:

C-1

Use Restrictions:

None

Revenues Generated:

None

Contractual Requirements:

None

Environmental Contamination / Remediation:

Phase 1 Completed

TOD Potential:

Yes

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

and community stakeholders to provide baseline considerations for the City's future development of a TOD district.

- Metro TOD Grant – In 2012, Metro awarded the City a \$700,000 TOD grant to prepare updated policy documents to implement TOD in the area of the Florence-La Brea and Florence-West stations in the City. The City has requested an extension to implement this grant during the 2014/15 fiscal year.

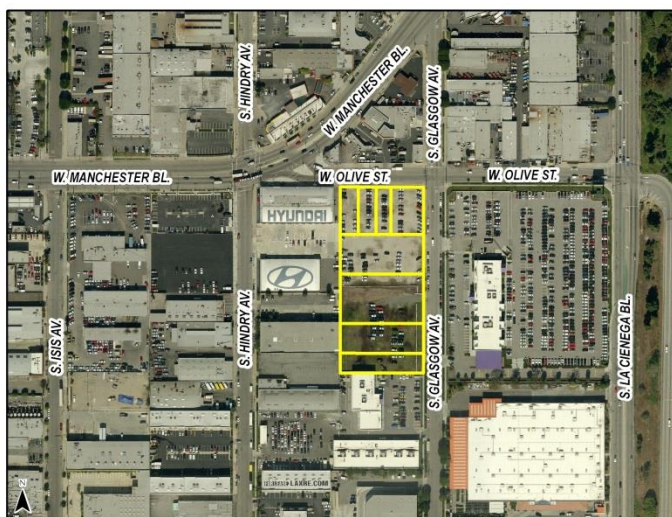
On July 23, 2014 the Successor Agency issued a Request for Development Team Qualifications for a transit oriented/mixed-use development opportunity for the downtown Inglewood/Market Street Revitalization. The RFQ included Parcels 32 and 33. A number of submittals were received from development entities interested in pursuing the project, from which the City selected five finalists. The submittals from the finalists include a variety of land uses, including: market rate housing, retail, restaurant space and cultural amenities.

.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Glasgow & Olive K-1 (Parcels 35-42)



Acquisition Information

In March 2001, the former Agency acquired the eight parcels for a total of \$6.1 million, or approximately \$51 per square foot of land area.

Purpose of Acquisition

The site was acquired to support the expansion of local car dealerships.

Parcel Data

The 2.75-acre site is zoned Light Manufacturing and Heavy Commercial, and is located in the former La Cienega Redevelopment Project Area. The site is surrounded by commercial buildings, a Hyundai dealership to the west and a CarMax dealership to the east, warehouses and currently being used for car storage by a Chrysler dealership.

Current Value

The current value of the property is estimated to be \$1.30 million, or \$11 per square foot of land area, based on an estimated \$2 million remediation cost to remove certain contamination and hazardous materials identified on the site by the Los Angeles Regional Water Quality Board. An agreement providing for the disposition and development of this site for this price has been entered into with Koper, LLC (adjacent property owner) pursuant to which Koper, LLC will assume all remediation costs up to \$2 million. (See Appendix D for disposition and development agreement). The interim use for the site is car storage pursuant to which the Successor Agency receives approximately \$24,000 per year from Koper, LLC. (See Appendix E for license agreement). A fourth quarter 2013 groundwater monitoring report has also been provided to demonstrate the condition and monitoring activities required on the site. (See Appendix F).

Advancement of Planning Objectives

See Implementation Plan (Appendix A).

PROPERTY INFORMATION

Address:

315, 327, 343, 347 Glasgow;
900, 912, 915, 920 Olive

Assessor's Parcel #:

4126-008-901, 902, 904-909

Lot Size:

120,046 sf

Acquisition Date:

March 2001

Acquisition Price:

\$6,092,329

Existing Improvements:

Vacant

Current Zoning:

M-1 and C-3

Use Restrictions:

None

Revenues Generated:

\$24,000/year

Contractual Requirements:

License Agreement

Environmental Contamination / Remediation:

Ongoing Monitoring

TOD Potential:

Yes

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

History of Development Proposals and Activity

The City has been working to develop opportunities for car dealerships along the 405 Freeway. CarMax and a Chrysler dealership are already established in the area. With the goal of attracting additional dealerships, negotiations took place with the adjacent property owner to expand an existing car dealership. Those negotiations culminated into a DDA to sell the property to Koper, LLP for the purpose of developing a new car dealership. Koper, LLP is also the owner of the adjacent site. The ability to combine both lots allows the project to successfully go forward.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Parking Structure 1 (Parcel 43)



Acquisition Information

The 0.52-acre parcel was acquired by the former Agency in September 2001 for a total of \$3.90 million, or approximately \$171 per square of land area and \$8,500 per parking space.

Purpose of Acquisition

The site, which includes a 456 space City Hall parking garage, was purchased by the former Agency to continue to provide City Hall and Police Department parking in conjunction with additional public parking to downtown Inglewood shoppers as part of the revitalization of downtown retail establishments.

Parcel Data

The parcel is zoned Civic Center and is improved with a 456 space public parking garage. The parking garage is located adjacent to City Hall and the Police Department and is used by City staff as well as the general public.

Current Value

The property is valued at \$0 due to the current use as a public parking garage that does not generate any net income. The parking garage generates approximately \$240,000 per year in revenues; however, 100% of the revenues are used to off-set the annual operating costs at this location as well as the structure on Parcel 43.

Advancement of Planning Objectives

See Implementation Plan (Appendix A) and "City of Inglewood Market and Site Overview" (Appendix G).

History of Development Proposals and Activity

The Successor Agency operates the parking structure to support the Civic Center, City Hall, Police, State officials and downtown Inglewood.

The following grants have been received that impact this site:

PROPERTY INFORMATION

Address:

104 Queen Street

Assessor's Parcel #:

4021-009-909

Lot Size:

22,875 sf (0.52-Acre)

Acquisition Date:

September 2001

Acquisition Price:

\$3,900,000

Existing

Improvements:

456 Space Public Parking Garage

Current Zoning:

Civic Center

Use Restrictions:

None

Revenues Generated:

\$240,000; Profits used to off-set Operating Losses at Parcel 44

Contractual

Requirements:

None

Environmental Contamination / Remediation:

None

TOD Potential:

Yes

Current Owner:

Successor Agency

Long-Range Property Management Plan

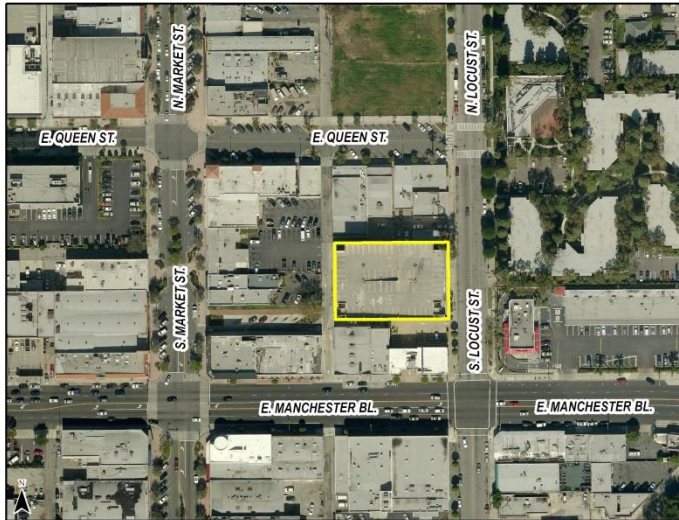
City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

- SCAG Compass Blueprint TOD Grant – The City received a \$250,000 grant to prepare a visioning document and conceptual TOD Land Use Plan.
- Urban Land Institute (ULI) Transit Oriented Development Technical Assistance Panel (TAP) – A multi-disciplinary team held a two-day workshop with the City and community stakeholders to provide baseline considerations for the City's future development of a TOD district.
- Metro TOD Grant – In 2012, Metro awarded the City a \$700,000 TOD grant to prepare updated policy documents to implement TOD in the area of the Florence-La Brea and Florence-West stations in the City. The City has requested an extension to implement this grant during the 2014/15 fiscal year.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Parking Structure 2 (Parcel 44)



Acquisition Information

The 1.33-acre parcel was acquired by the former Agency in September 1998 for a total of \$2.91 million, or approximately \$50 per square of land area and \$9,300 per parking space.

Purpose of Acquisition

The site was purchased for Civic Center parking and benefits the revitalization of the Market Street downtown area.

Parcel Data

The parcel is zoned Civic Center and is located in the former In-Town Redevelopment Project Area. The parcel is improved with a 313 space public parking garage. The parking garage is located in the downtown area and is adjacent to retail stores.

Current Value

The property is valued at \$0 due to the current use as a public parking garage that does not generate any net income. The parking garage generates approximately \$60,000 per year in revenues, however, 100% of the revenues are used to off-set the annual operating costs to the City. In fact, the revenues do not cover the total operating costs.

Advancement of Planning Objectives

See Implementation Plan (Appendix A) and "City of Inglewood Market and Site Overview" (Appendix G).

History of Development Proposals and Activity

The site functions as a parking lot that supports the City functions, downtown businesses and in the future, riders from the LAX / Crenshaw line. The site is plagued by vandalism and homelessness resulting in reduced use of the site. The revenues from this parking structure are insufficient to continue operation without assistance from the revenues generated from a second parking structure. Since a bulk of the criminal activity takes place on the upper floor, the City intends to use the upper floor of parking structure to store its emergency preparedness equipment.

PROPERTY INFORMATION

Address:

115 Locust Street

Assessor's Parcel #:

4021-010-900

Lot Size:

57,935 sf (1.33 Acres)

Acquisition Date:

September 1998

Acquisition Price:

\$2,910,000

Existing

Improvements:

313 Space Public Parking Structure

Current Zoning:

C-1

Use Restrictions:

None

Revenues Generated:

\$60,000; Operates at a loss

Contractual Requirements:

None

Environmental Contamination / Remediation:

None

TOD Potential:

Yes

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

The following grants have been received that impact this site:

- SCAG Compass Blueprint TOD Grant – The City received a \$250,000 grant to prepare a visioning document and conceptual TOD Land Use Plan.
- Urban Land Institute (ULI) Transit Oriented Development Technical Assistance Panel (TAP) – A multi-disciplinary team held a two-day workshop with the City and community stakeholders to provide baseline considerations for the City's future development of a TOD district.
- Metro TOD Grant – In 2012, Metro awarded the City a \$700,000 TOD grant to prepare updated policy documents to implement TOD in the area of the Florence-La Brea and Florence-West stations in the City. The City has requested an extension to implement this grant during the 2014/15 fiscal year.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Senior Center Development SC-1 (Parcels 45, 46):



Acquisition Information

The former Agency acquired the Queen Street parcel in November 2001 through eminent domain proceedings and the Locust parcel in December 2004, for a combined total of \$1.39 million, or approximately \$41 per square foot of land area. A mix of tax-exempt bonds, tax increment, Section 108 Program Income and EDI Special Project Grants were used to acquire and construct the site.

Purpose of Acquisition

The former Agency purchased the parcels to allow for the development of a larger Senior Center.

Parcel Data

The 0.77-acre is located in the City's downtown and the former In-Town Redevelopment Project Area. The parcels are currently zoned Commercial 1 and are across the street from the Salvation Army and senior apartments.

Current Value

The property is valued at \$0 due to the limitations on the use of the property from the use of tax-exempt bonds that were used to purchase the property.

History of Development Proposals and Activity

A part of this site housed the original Inglewood Senior Center; however, the building was found to have many structural issues and was determined inhabitable in 2000. The building was demolished in 2001. Programming for seniors was relocated to four different locations until a new center could be built. The original plan was to include two stories dedicated to senior programming and five stories to senior housing. In December 2010, due to funding considerations, it was necessary to abandon the housing component. In addition, legal disputes developed between the architect, the construction manager and the former Agency in 2009 and 2010. After some consideration, in November 2011 the former Agency elected to commence a new design/build process for a senior center. The preliminary development portion of the project is being funded by a HUD Economic Development Initiative grant and Section 108/CDBG grant. It is anticipated that once a finding of completion is granted, 2007 tax-exempt bonds funds will be used to fund the construction. These

PROPERTY INFORMATION

Address:

111 Locust Street, 335
Queen Street

Assessor's Parcel #:

4021-007-903, 905

Lot Size:

33,481 sf

Acquisition Date:

Dec 2004, Nov 2001

Acquisition Price:

\$677,000 (903); \$710,000
(905)

Existing Improvements:

Vacant

Current Zoning:

C-1

Use Restrictions:

TEB Limitations

Revenues Generated:

None

Contractual Requirements:

None

Environmental Contamination / Remediation:

Phase 1 Completed

TOD Potential:

Yes

Current Owner:

Successor Agency

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

tax-exempt bond funds have been part of the financing plan when the bonds were originally issued.

The Locust Street Senior Center will consist of a 33,357 square foot senior center, a high-tech central kitchen and three levels of subterranean parking containing a total of 164 on-site parking spaces.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

PART II: PROPERTY DISPOSITION & USE

The second part of the LRPMP provides the planned use or disposition of each of the properties in the manner described in Health & Safety Code Section 34191.5(c)(2). The following summarizes the four types of permitted disposition/use:

Plan Category	Use/Disposition Purpose of Property	Property Transferee
Enforceable Obligation	Use Consistent with Enforceable Obligation Terms	Designated Enforceable Obligation Recipient
Governmental	Governmental Use in Accordance with Section 34181(a)	Appropriate Public Jurisdiction
Approved Redevelopment Plan Project	Transfer to City for use in a project identified in the Approved Redevelopment Plan. Disposition proceeds to be distributed among Taxing Entities in accordance with a Compensation Agreement	City
Other Liquidation	Sale by Successor Agency to private buyer with proceeds distributed to Taxing Entities	Approved Buyer

Summary of Plan Category Decision

The relevant “approved redevelopment plan” that identifies the projects for which the properties will be disposed and used consists of:

- ❖ The amended Inglewood Merged Redevelopment Plan, which was adopted by Ordinance No. 96-11 on July 30, 1996; and
- ❖ The accompanying amended Implementation Plan for the Merged Project Area (Implementation Plan) adopted by the Former RDA by Resolution No.07-18 on September 18, 2007 (the Implementation Plan Resolution) in accordance with the requirements of Health & Safety Code Section 33490.

Redevelopment Plan

The objectives and goals of the Redevelopment Plan are provided below:

1. In-Town Project Area
 - a. Increase overall retail activity, thereby improving the fiscal health of the community through increased sales and other taxes;
 - b. Reinforce the health of other businesses in the community; and
 - c. Establish a healthy and vital downtown area as a major amenity to the residents of the community, providing stores, restaurants and services that will improve their quality of life.
2. Century Project Area

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

- a. Increase employment opportunities for a diversified workforce;
 - b. Provide development assistance to commercial and industrial markets to better serve Project Area residents and patrons; and
 - c. Promote new and continuing private sector investment within the Project Area to prevent the loss of and to facilitate the capture of commercial and industrial activities.
- 3. Imperial-Prairie Project Area
 - a. Strengthen the commercial sector of the Project Area by improving building conditions, correcting code deficiencies, and increasing functionality and desirability;
 - b. Attract new businesses and retain existing businesses along the main commercial corridors on Imperial Highway and Prairie Avenue by providing development assistance to commercial markets;
 - c. Establish key economic development catalyst sites along the Imperial Highway business corridor;
 - d. Improve substandard public infrastructure systems, and provide for the installation of new public improvements to meet the requirements of expanding the new development in the Project Area; and
 - e. Improve the overall image of the Project Area.
- 4. Manchester-Prairie Project Area
 - a. Encourage commercial revitalization activities by providing low interest commercial loans to area businesses;
 - b. Facilitate business expansion and economic development by providing assistance to and working with potential developers;
 - c. Foster business recruitment and enhancement activities to attract new commercial uses to the Project Area; and
 - d. Attract the development of neighborhood-serving retail uses.
- 5. La Cienega Project Area
 - a. Increase employment opportunities for Inglewood residents;
 - b. Improve the economic viability of the commercial and industrial sectors of the Project Area through development assistance; and
 - c. Promote new and continuing private sector investment within the Project Area to prevent the loss of and to facilitate the capture of commercial and industrial activities.
- 6. North Inglewood Industrial Park Project Area
 - a. Improve the economic viability of the commercial sector of the Project Area by rehabilitating existing commercial structures with the aim of creating a cohesive commercial corridor along La Brea Avenue; and
 - b. Promote new and continuing private sector investment within the Project Area to prevent the loss of and to facilitate the capture of commercial activities.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Implementation Plan

The goals and objectives of the Implementation Plan match those of the Redevelopment Plan. However, the following programs mentioned in the Implementation Plan are as follows:

1. The former Agency had established the Development Assistance Program which was designed to assist in fostering new development in the Project Areas. Specific former Agency activities under this program included establishment of one or more catalyst development sites; land acquisition and relocation; assistance with on and off site public improvements, loans and grants to new businesses; and other types of required assistance. The former Agency proposed to assist with the site clearance of parcels currently zoned industrial on 102nd and 104th Streets.
2. The former Agency intended to continue its redevelopment efforts within the In-Town Redevelopment Project Area on the implementation of the Market/La Brea Shopping District revitalization efforts. The aim of Downtown revitalization was to develop a strong retail, cultural and visitor-oriented district that draws patronage throughout Inglewood, adjacent communities and visitors from outside the area by concentrating on:
 - a. Attraction of major national and regional retailers to Downtown Inglewood through assembly of major development parcels (Parcels 20 – 30).
 - b. Development of an entertainment and cultural district that would introduce some strong evening activities into the Downtown area, including cinemas, live theater, multi-cultural events, sports-oriented attractions, and theme restaurants (Parcels 31 – 34).
 - c. Strengthening of the existing retail base in Downtown Inglewood (Parcels 31 - 34).
 - d. Introduce additional residential units into the area (Parcels 31 - 34).
 - e. The lack of parking was also identified as an issue for the downtown area. While the current needs appear to be met, a decrease in vacancies and increase in new development within the Downtown is expected to increase the demand for parking. The Downtown Revitalization Plan includes a program to implement measures and projects to increase the supply and condition of parking aimed at encouraging business patronage.
3. The former Agency intended in the Century Project Area to continuing to assist in the development and expansion of industrial and commercial uses to encourage new private sector investment and to augment anticipated residential development in the Project Area (Parcels 1 - 13).
4. In the La Cienega Project Area, the former Agency intended to assist in land assembly and development for commercial industrial businesses to promote private sector investment (Parcels 35 – 42).

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Long-Term Planned Use / Disposition of Each Property

As required by Health & Safety Code Section 34191.5(c)(2), the LRPMP identifies that:

- ❖ None of the parcels are needed to be retained for purposes of fulfilling an enforceable obligation;
- ❖ Three (3) of the properties (5 legal parcels) are dedicated for governmental use purposes;
- ❖ Two (2) of the properties (5 legal parcels) are to be retained for future development under the redevelopment plan;
- ❖ One (1) property (8 legal parcels) is to be sold; and
- ❖ Eight (8) of the properties (28 legal parcels) are to be sold. However, should the sale of the property not be feasible or otherwise achievable, then the property is to be retained for future development as permissible under Health & Safety Code section 34191.5(c)(2).

Properties to be Retained for Governmental Use

The following summarizes the properties to be retained for governmental use:

Property	Parcel #s	Recipient	Estimated Current Value	Sales Price to Recipient
Barton & Woodworth	14, 15	City	\$0	\$0
Senior Center	45, 46	City	\$0	\$0
Parking Structure 1	43	City	\$0	\$0

Barton & Woodworth (Parcels 14, 15)

As a part of the LRPMP, the parcels will be transferred to the City at no cost, which is the same as the effective current value. The parcels will remain as open space and will continue to be maintained by the City as a park.

Senior Center (Parcels 45, 46)

As a part of the LRPMP, the parcels will be transferred to the City at no cost, which is the same as the effective current value. The City will continue with the development of a new senior center, paid with tax-exempt bonds proceeds, at this location.

Parking Structure 1 (Parcel 43)

As a part of the LRPMP, the parcel will be transferred to the City at no cost, which is the same as the effective current value. The parcel will continue to be utilized as a public parking structure for the benefit of the Civic Center and downtown. Revenues generated from the garage will be used to offset the cost to operate the garage.

Properties to be Sold

The following summarizes the properties to be sold:

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Property	Parcel #s	Recipient	Estimated Current Value	Sales Price to Recipient
Glasgow & Olive Street (K1)	35-42	3 rd Party	\$1,300,000 ¹	\$1,300,000

Glasgow & Olive Street (K-1)

The Successor Agency is currently in negotiations with an adjacent property owner, Koper, LLC, for the sale of the parcels as a new car dealership showroom site consistent with the terms and conditions contained in that certain disposition and development agreement between Koper, LLC and the City of Inglewood dated January 31, 2012. When the 2.75-acre Successor Agency-owned site is combined with the 1.6-acre Koper, LLC site, a 10,000 square foot showroom can be developed on the combined development site. Koper, LLC has agreed to accept the projected cost of environmental liability up to \$2 million and the \$1.30 million sales price. The proceeds from the sale will be distributed to the Taxing Entities. If the sale to Koper, LLC does not occur, the City will lose out on a major automobile retail center and will be forced to seek the transfer of the property for future disposition and development consistent with the redevelopment plan.

Properties to be Sold, or if not feasible or otherwise unsuccessful, for Future Development

Property	Parcel #s	Recipient	Estimated Current Value	Sales Price to Recipient
D-3 Site	20-30	City/3 rd Party	\$3,985,000	Sale Value to be evaluated
Market Street Site (D-4)	31	City/3 rd Party	\$525,000	Sale Value to be evaluated
Market Street Site (D-5)	32	City/3 rd Party	\$450,000	Sale Value to be evaluated
Market Street Site (D-6 & D-7)	33, 34	City/3 rd Party	\$694,000	Sale Value to be evaluated
Prairie & 101st St (B-1.1) & Prairie & 102nd St (B-1.2)	1-3	City/3 rd Party	\$1,152,000 \$236,000	Sale Value to be evaluated
Century & 102nd St (B-2)	4-8	City/3 rd Party	\$1,876,000	Sale Value to be evaluated
Century & Prairie Site (B-3)	9-13	City/3 rd Party	\$3,150,000	Sale Value to be evaluated

¹ The estimated current value of \$1,300,000 contemplates and takes into consideration the projected \$2,000,000 cost of hazardous waste remediation on the site.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

DOWNTOWN SITES D-3, D-4, D-5, D-6, and D-7 (Parcels 20-34)

These parcels will be sold at a value to be determined by an appraisal and the proceeds will be disbursed amongst the Taxing Entities once the properties have been transferred to the developer(s). As of July 23, 2014, the Successor Agency has started the process of obtaining developer qualifications for these sites.

LAX NOISE MITIGATION PROPERTIES (B-1, B-2, and B-3)

Prairie & 101st Street B-1.2 (Parcel 1) and Prairie & 102nd Street B-1.2 (Parcels 2 and 3)

These parcels will be sold at a value to be determined by an appraisal and the proceeds will be disbursed amongst the Taxing Entities once the properties have been transferred to the developer(s).

102nd Street B-2 (Parcels 4 – 8)

These parcels will be sold at a value to be determined by an appraisal and the proceeds will be disbursed amongst the Taxing Entities once the properties have been transferred to the developer(s). City acquisition of the remaining parcels between Doty and Prairie may be analyzed to enhance these sale values.

Century & Prairie Street B-3 (Parcels 9 – 13)

These parcels will be sold at a value to be determined by an appraisal and the proceeds will be disbursed amongst the Taxing Entities once the properties have been transferred to the developer(s). City acquisition of the remaining parcels between Doty and Yukon may be analyzed to enhance these sale values.

If for any reason any of the properties in this aforesaid category are not sold by the successor agency following a period of three years of plan approval, then the successor agency will use the permissible use of Future Development for each unsold property and reach a compensation agreement, if required.

Properties to be Retained for Future Development

The following summarizes the properties to be retained for future development:

Property	Parcel #s	Recipient	Estimated Current Value	Sales Price to Recipient
Imperial & Prairie (B-8)	16-19	City/3 rd Party	\$0	Value to be determined
Parking Structure (P-2)	44	City/3 rd Party	\$0	Value to be determined

Imperial & Prairie B-8 (Parcels 16 – 19)

This property is presently unfeasible as a sale parcel because it is not entirely contiguous. Therefore, it is to be retained for future development; in connection therewith, when and as appropriate following a public process for development potential and appraisal, these parcels will be evaluated for their redevelopment potential in current market conditions pursuant to the redevelopment plan and ability to incorporate site-specific features.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Parking Structure 2 (P-2) (Parcel 44)

The effective current value is zero, however the City and Successor Agency are analyzing to maximize value for future development. At this time it is not feasible for sale because of its operating loss. It shall be retained for future development under the redevelopment plan. In connection therewith, when and as appropriate following a public process for development potential and appraisal, this parcel will be evaluated for their redevelopment potential in current market conditions pursuant to the redevelopment plan and ability to incorporate site-specific features.

Implementation Steps

The following summarizes the steps to transfer the properties as government use, or for future development.

Government Use

The Successor Agency, upon approval of this LRPMP, promptly will affect the transfer of the government use properties to the applicable public entity by grant deed or quitclaim deed.

For Sale

The Successor Agency, upon approval of this LRPMP, will conclude negotiations for the Glasgow & Olive site with the adjacent property owner. If the negotiations are successful, the proceeds from the sale will be distributed to the Taxing Entities. If not, the Successor Agency will return to the Successor Agency board for further direction.

For Sale or if not feasible or otherwise unsuccessful, to be Retained for Future Development under Health & Safety Code section 34191.5(c)(2)

The other 28 parcels listed as B-1 through B-3 and D-3 through D-7 properties, (ie., Parcels 1 through 13 and 20 through 34), will be further analyzed for proper disposition for third party sales to maximize values. Given the unique nature of the development opportunities and parties approaching the City, the City is likely to negotiate development agreements and the sales of the Successor Agency properties will likely be to third parties with some form of a purchase and sale agreement or similar non-statutory development agreement generated to maximize value for the taxing entities—the City is among the taxing entities. However, if the sales and/or negotiations are not feasible or otherwise unsuccessful, those properties will be retained for future development.

Properties to be Retained for Development – Guidelines for Future Development

Upon transfer pursuant to this LRPMP, the City will cause the properties to be developed in accordance with the following principals and guidelines:

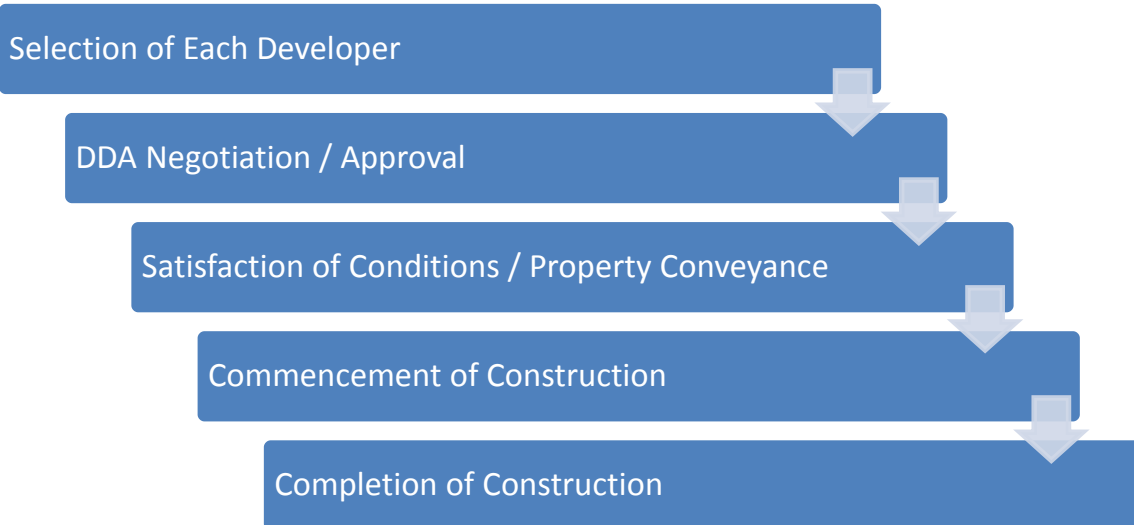
1. Qualified Real Estate Developer. Each property will be disposed of to a qualified real estate developer (Developer) with the experience and financial capability to timely acquire and develop the property in accordance with an approved Disposition and Development Agreement (DDA) or other type of agreement. The Developer will be selected through an appropriate selection process involving solicitation of interested prospective developers through a request for qualifications (RFQ), Request for Proposals (RFP), qualified bid or similar selection process.

Long-Range Property Management Plan

City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

2. DDA or Other Type of Agreement. Each property will be disposed of and developed pursuant to an approved DDA. The purchase price or lease payments to be paid by the Developer of each property under the DDA will equal not less than either the fair market value of the property or the fair reuse value of the property at the use and with covenants and conditions and the development costs authorized pursuant to the DDA, as determined by formal action of the Successor Agency. Among other provisions, each DDA will require the Developer to:
 - a. Meet specified pre-disposition conditions demonstrating its readiness and ability to commence construction;
 - b. Develop the property in accordance with the General Plan and the specific land use entitlements granted by the City; and
 - c. Commence and complete construction of the approved development within specified deadlines.
3. Legislative Body Approval. The Developer, the DDA and any substantial amendment to the DDA for each property will be subject to approval by the City Council at a public meeting duly noticed in accordance with the notices and procedures described in Health and Safety Code Section 33433(a).

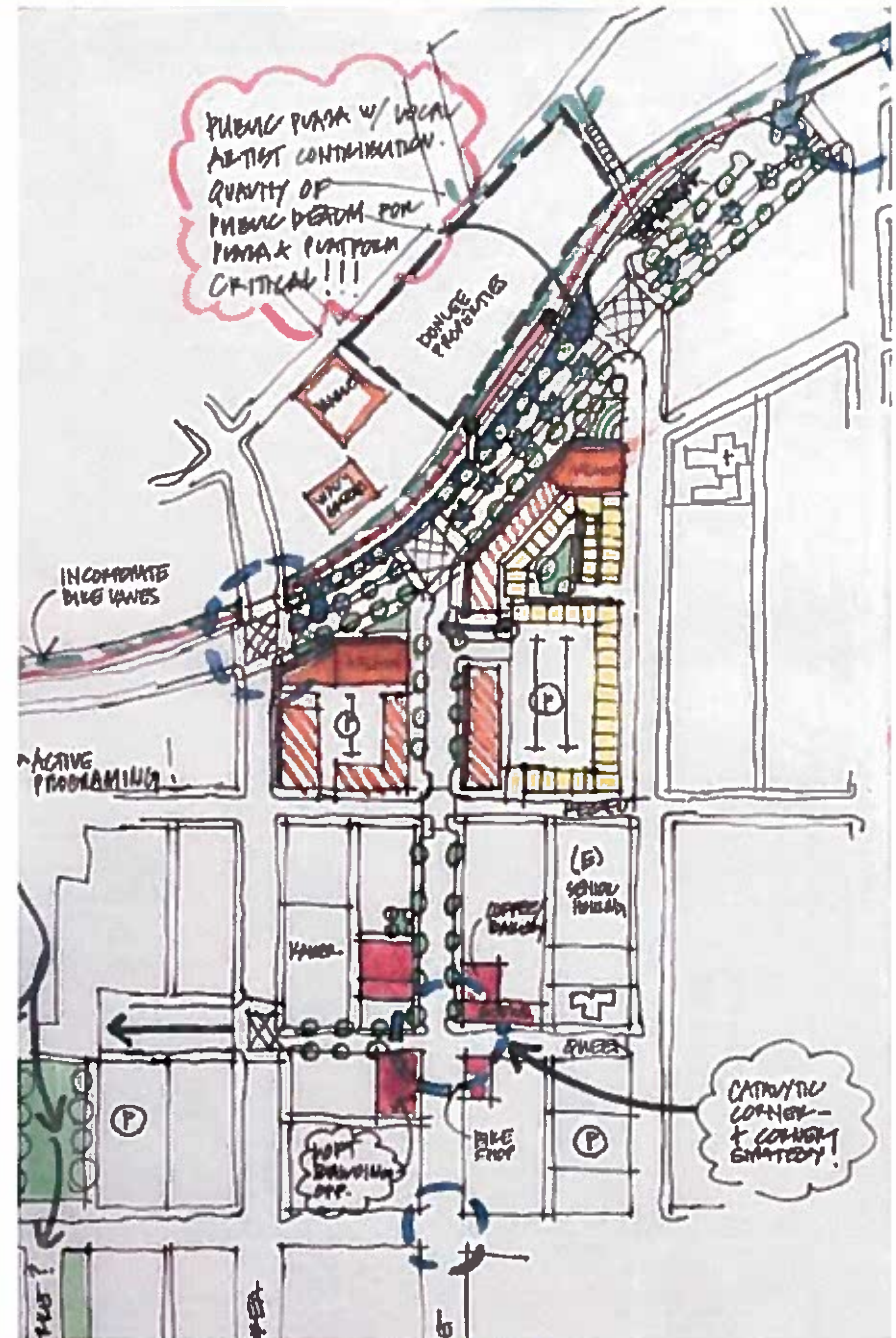
While the timing of disposition and development of each property will depend on market conditions and interest of the private real estate development and financing community, it is currently anticipated that such disposition and development may occur generally in accordance with the following process:



Once the properties are transferred to the 3rd party, the land sale proceeds will be distributed amongst the Taxing Entities.

Vision – Activate Civic Center

- Activate **Civic Center** through a program of uses during the evenings and weekends
 - Ensure programming is tied into the community
 - Weekly farmers' market
 - Children's events
 - Holiday festivals



- **Buildings Rehabilitation**
 - Low cost or forgivable loans
- **Development incentives**
 - Community design overlay/specific plan
 - Create a massing strategy
 - Streamline permitting process for Downtown
 - Master Program EIR
 - Adaptive reuse ordinance for Downtown
 - Reduce parking restrictions
 - Parking Utilization Analysis
 - Land write-down
- **Art and public improvements ordinance**

- **Target available grants**
 - Safety Grants Program
 - Community Development Block Grants (CDBG)
 - Metro Call for Projects
 - Caltrans Environmental Justice Grants
 - Healthy Communities Grant Program
 - TIGER Grants (Transportation Investment Generating Economic Recovery)
- **Redevelopment funding**
 - Leverage affordable housing funds
 - Demonstrate nexus between station and redevelopment areas
- **Create a Business Improvement District**
- **Create a Community Finance District**
- **Create a Parking District**

- 1) Station Design
- 2) Infrastructure (street and sidewalk improvements)
- 3) RFP for opportunistic sites



Thank You

- Mayor James T. Butts, City of Inglewood
- Councilman Ralph Franklin, City of Inglewood
- Mawusi Watson, Chief of Staff, City of Inglewood
- Sheldon Curry, Assistant City Manager for Development, City of Inglewood
- Margarita Cruz, Redevelopment Manager, City of Inglewood
- Linda Tatum, Planning Manager, City of Inglewood
- Keith Lockhard, Senior Transportation Planner, City of Inglewood
- Roderick Diaz, Project Manager, Metro
- Farooq Ameen, Hatch, Mott, MacDonald
- Michael Benbo, Resident
- Don Goodman, Owner/CEO, Donlee Farms

Appendix D

for

Long Range Property Management Plan City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Disposition and Development Agreement
between
City of Inglewood and K.P. Auto Center L.P.

CITY'S ORIGINAL

12-024

MERGED INGLEWOOD REDEVELOPMENT PROJECT INGLEWOOD, CALIFORNIA

DISPOSITION AND DEVELOPMENT AGREEMENT

by and between

CITY OF INGLEWOOD,

City,

and

K.P. AUTO CENTER, L.P., a California Limited Partnership

Developer.

TABLE OF CONTENTS

Page

ATTACHMENTS

ATTACHMENT NO. 1	SITE MAP
ATTACHMENT NO. 1A	LEGAL DESCRIPTION
ATTACHMENT NO. 2	METHOD OF FINANCING
ATTACHMENT NO. 2A	PROJECT BUDGET
ATTACHMENT NO. 3	SCHEDULE OF PERFORMANCE
ATTACHMENT NO. 4	SCOPE OF DEVELOPMENT
ATTACHMENT NO. 5	GRANT DEED
ATTACHMENT NO. 6	EMPLOYMENT AND TRAINING AGREEMENT
ATTACHMENT NO. 7	AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY
ATTACHMENT NO. 8	RELEASE OF CONSTRUCTION COVENANTS

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (the "Agreement") is entered into by and between the CITY OF INGLEWOOD, a municipal corporation (the "City") and K.P. AUTO CENTER, L.P., a California Limited Partnership (the "Developer") with respect to the following:

RECITALS.

WHEREAS, the City and the Developer have previously entered into that certain Exclusive Negotiating Agreement dated April 14, 2009 with respect to the proposed disposition and development of certain City-owned real property by the Developer (the "ENA"); and

WHEREAS, the City, pursuant to that certain Cooperation Agreement by and between the Inglewood Redevelopment Agency (the "Agency") dated January 25, 2011, as amended by a First Amendment to Cooperation Agreement dated February 15, 2011 and a Second Amendment to Cooperation Agreement dated March 10, 2011 (collectively, the "Cooperation Agreement"), City has acquired and presently owns all real property previously owned by the City and agreed to undertake certain redevelopment activity on the behalf of the City; and

WHEREAS, pursuant to the terms of the ENA and the Cooperation Agreement, the City and the Developer now wish to enter into this Agreement for the disposition of that certain real property currently owned by the City to the Developer for development in accordance with the requirements of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises contained herein, the City and the Developer agree as follows:

I. [§ 100] SUBJECT OF AGREEMENT

A. [§ 101] Purpose of the Agreement

The purpose of this Agreement is to effectuate the Redevelopment Plan for the Merged Imperial-Prairie Redevelopment Project Area by providing for the sale of certain City-owned real property to the Developer, and its redevelopment by the Developer in conjunction with certain Developer-owned real property on land area of approximately 186,872 square feet (or about 4.29 acres) with an automobile sales and retail center including the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square feet and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto (the "Improvements"), all in accordance with City approved drawings and plans as set forth in this Agreement and more particularly reflected in the Schedule of Performance (Attachment No 3). The sale and redevelopment of the "Site" (as defined below) pursuant to this Agreement, and the fulfillment generally of this Agreement are in the vital and

best interest of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state, and local laws and requirements.

B. [§ 102] The Redevelopment Plan

This Agreement is subject to the provisions of the Redevelopment Plan for the Merged Inglewood Redevelopment Project Area (La Cienega Subarea), which was approved and adopted on February 26, 2002, by Ordinance Nos. 02-07, 02-08, 02-09 and 02-10 by the City Council of the City of Inglewood (the "Redevelopment Plan"). Said Ordinances and the Redevelopment Plan are incorporated herein by reference and made a part hereof as though set forth in full.

Any amendments hereinafter to the Redevelopment Plan (as so approved and adopted) which change the uses or development permitted on the Site as proposed in this Agreement, or otherwise change the restrictions or controls that apply to the Site or otherwise adversely affect the Developer's obligations or rights with respect to Site, shall require the written consent of the Developer which the Developer may withhold in its sole discretion. Amendments to the Redevelopment Plan applying to other property in the Merged Inglewood Redevelopment Project area (La Cienega) shall not require the consent of the Developer.

C. [§ 103] The Redevelopment Project Area

The Merged Inglewood Redevelopment Project Area (the "Redevelopment Project Area") is located in the City of Inglewood. The exact boundaries of the Redevelopment Project area are specifically and legally described in the Redevelopment Plan.

D. [§ 104] The Site

The "Site" is comprised of those certain parcels of City -owned real property consisting of approximately 2.72 acres (the "Sales Parcel") and those certain parcels of Developer-owned real property consisting of approximately 1.57 acres (the "Participating Parcel"). Both the Sales Parcel and the Participating Parcel are located within the City of Inglewood. The total size of the Site (i.e., the combined size of the Sales Parcel and the Participating Parcel) is approximately 4.29 acres. The Site is illustrated and designated on the "Site Map" which is incorporated herein and attached to this Agreement as Attachment No. 1. The Site is also more precisely described in the "Legal Description" which is incorporated herein and attached hereto as Attachment No. 1A. The Site is currently zoned as C-3 and M-1 and shall be developed by the Developer as an automobile mall, inclusive of certain ancillary auto parts and related retail uses, including, but not limited to, the construction of consisting of land area of approximately 186,872 square feet (or about 4.29 acres) with an automobile sales and retail center including the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square fee and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto.

Pursuant to the terms of this Agreement, the Sales Parcel will be conveyed to the Developer by a single conveyance by the City.

E. [§ 105] Parties to the Agreement

1. [§ 106] City

The City is a municipal corporation exercising governmental functions and powers pursuant to Chapter 2 of the Community Redevelopment Law of the State of California.

The address of the City for purposes of this Agreement is: City Hall, One Manchester Boulevard, Ninth Floor, Inglewood, California 90301, Attention: City Manager.

"City" as used in this Agreement, includes the City of Inglewood acting pursuant to the Cooperation Agreement and any public body that is an assignee of or successor to its rights, powers and responsibilities. However, notwithstanding the foregoing, any and all City action pursuant to this Agreement shall only be performed and constitute redevelopment activity in accordance with the authorization and rights established in the Cooperation Agreement. Moreover, Developer acknowledges that any financial obligation established by this Agreement shall only be satisfied by those certain redevelopment funds provided to and held by the City pursuant to the redevelopment activity authorized and set forth in the Cooperation Agreement and under no circumstances shall any such actions of the City taken pursuant to this Agreement constitute action of the City in its capacity as a municipal corporation nor constitute a City obligation for which its general fund and/or any other specific City revenue is pledged, committed or obligated.

2. [§ 107] Developer

The Developer is the K.P. Auto Center, L.P., a California limited partnership. The address of the Developer for purposes of this Agreement is 239 W. Manchester Boulevard, Suite 215, Inglewood, California 90301, Attention: Michael Koper, President.

Wherever the term "Developer" is used herein, such term shall include any permitted nominee, assignee or successor in interest as herein provided.

F. [§ 108] Prohibition against Change in Ownership Management and Control of Developer

The Developer represents and agrees that its purchase of the Site and its other undertakings pursuant to this Agreement are, and will be used, for the purpose of redevelopment of the Site and not for speculation in land holding. The Developer further recognizes that, in view of:

- (a) the importance of the redevelopment of the Site to the general welfare of the community;

- (b) the public aids that have been made available by law and by the government for the purpose of making such redevelopment possible; and
- (c) the fact that a change in ownership or control of the Developer or of a substantial part thereof, or any other act or transaction involving or resulting in a significant change in ownership or control of the Developer or the degree thereof, is for practical purposes a transfer or disposition of the property then owned by the Developer,

the qualifications and identity of the Developer, and its principals, are of particular concern to the community and the City. The Developer further recognizes that it is because of such qualifications and identity that the City is entering into the Agreement with the Developer. No voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein.

Prior to the issuance of a Release of Construction Covenants, the Developer shall not sell, transfer or convey any portion of the Site, or assign all or any part of this Agreement to a third party (a "Transferee") without the prior written approval of the City, which approval shall not be unreasonably withheld if, in the reasonable determination of the City, the proposed Transferee of any portion of the Site has the qualifications of a developer comparable in all material respects (including experience, character and financial capability) to the Developer. However, notwithstanding the foregoing, City consent shall not be required for any assignment of this Agreement primarily for estate tax purposes where the Developer is the majority/controlling/voting shareholder, general partner or managing member owning at least a fifty-one percent (51%) share or interest in the proposed Transferee. Moreover, the City hereby acknowledges and approves all existing leases on the Participating Parcels as well as any potential leases presently under negotiation by the Developer and certain third-party operators with respect to the Participating Parcel in which the City is aware.

In the event that, in violation of this Agreement, the Developer does assign this Agreement or any of the rights herein, or does sell, transfer, convey or assign any part of the Site or the buildings or structures thereon prior to the issuance of the Release of Construction Covenants, the City shall be entitled to an "Excess Purchase Price" payable by the Developer for the Sales Parcel in the amount that the consideration payable for such unauthorized sale, transfer, conveyance or assignment is attributable to the Sales Parcel and exceeds the amount of the Purchase Price paid by the Developer for the Sales Parcel to the City plus the cost of the Improvements developed on the Sales Parcel, including applicable carrying charges and costs related thereto. To the extent the Developer is required to pay an Excess Purchase Price to the City and such Excess Purchase Price has not been paid to the City, the City shall have a lien on the Site for the entire amount of the Excess Purchase Price. Any such lien shall be subordinate and subject to mortgages, deeds of trust or other security instruments executed for the sole purpose of obtaining funds to develop the Site (or applicable portion thereof) as authorized herein.

Except for assignments duly executed and deemed approved by the City as provided above, the Developer covenants and agrees for itself, and any of its successors in interest, that prior to issuance by the City of a Release of Construction Covenants and without the prior written approval of the City, there shall be no significant change in the ownership of the Developer, or in the relative proportions thereof, or with respect to the identity of the parties in control of the Developer, by any method or means.

The Developer shall promptly notify the City of any and all changes whatsoever in the identity of the parties in control of the Developer or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. This Agreement may be terminated by the City if there is any significant change (voluntary or involuntary except as the result of death or incapacity) in membership, management or control of the Developer in violation of this Agreement prior to the issuance of a Release of Construction Covenants for the Site.

Except as otherwise provided in this Agreement, in the absence of a specific written agreement by the City, no such sale, transfer, conveyance or assignment of this Agreement or the Site (or any portion thereof), or approval by the City of any such sale, transfer, conveyance or assignment, shall be deemed to relieve the Developer from any obligations under this Agreement.

The restrictions of this Section 108 shall terminate upon issuance by the City of a Release of Construction Covenants for the entire Site or any portion thereof, as applicable.

G. [§ 109] City Representations

The City represents, warrants and covenants to the Developer as follows:

(i) The City is a municipal corporation, duly organized and in existence in accordance with the laws of the State of California and is authorized and qualified to own the Sales Parcel. Further, the City: (x) has complete and full authority to execute this Agreement and to convey to the Developer good and marketable fee simple title to the Sales Parcel subject to the terms and conditions of this Agreement, (y) will execute and deliver such other documents, instruments, agreements, including (but not limited to) affidavits and certificates, as are necessary to effectuate the transaction contemplated herein, and (z) will take all such additional action necessary or appropriate to effect and facilitate the consummation of the sale and purchase transaction contemplated herein. Each of the persons executing this Agreement on behalf of the City further represents and warrants that the persons signing this Agreement on behalf of the City are duly qualified and appointed representatives of the City and have all requisite power and authority on behalf of the City to cause the City to enter into this Agreement as a valid, binding and enforceable obligation of the City.

(ii) To the best of the City's knowledge: (x) all assessments that are liens against the Sales Parcel are shown in the official records of the taxing authorities in

whose jurisdiction the Sales Parcel is located; (y) no improvements (site or area) have been constructed or installed by any public authority, the cost of which may be assessed in whole or in part against any part of the Sales Parcel in the future; and (z) with the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City has not been notified of any possible future improvements that might create an assessment against any part of the Sales Parcel.

(iii) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City has not received any notice of, and has no knowledge of, any pending or threatened taking or condemnation of the Sales Parcel or any portion thereof.

(iv) To the best of the City's knowledge, and with the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the Sales Parcel is free of any right of possession or claim of right of possession of any party other than the City, and there are no leases or occupancy agreements currently affecting any portion of the Sales Parcel. The City will not sell, encumber, convey, assign, pledge, lease or contract to sell, convey, assign, pledge, encumber or lease all or any part of the Site, nor restrict the use of all or any part of the Sales Parcel, nor take or cause or allow any action to be taken in conflict with this Agreement. The City additionally hereby represents and warrants that no rights of first refusal or similar agreements exist in connection with the Sales Parcel that would in any way interfere with or compromise the Developer's ability to purchase and develop the Sales Parcel in conjunction with the Participating Parcel as provided in the Agreement.

(v) The Sales Parcel has legal access to and from all street fronts and adjoining rights-of-way.

(vi) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, neither the entering into this Agreement nor the consummation of the sales and development transaction contemplated hereby will constitute or result in a violation or breach by the City of any judgment, order, writ, injunction or decree issued against or imposed upon it, or will result in a violation of any applicable law, order, rule or regulation of any governmental authority. With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, there is no action, suit, proceeding or investigation pending or threatened that creates a lien or that would become a cloud on the title to the Site or any portion thereof or that questions the validity or enforceability of the transaction contemplated by this Agreement or any action taken pursuant hereto in any court or before or by any Federal, district, county, or municipal department, commission, board, bureau, city or other governmental instrumentality.

(vii) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City has no knowledge of, nor has the City received any notice of, any actual or threatened action, litigation, or proceeding by

any organization, person, individual or governmental agency (including governmental actions under condemnation authority or proceedings similar thereto) against the Sales Parcel or the City nor has any such organization, person, individual or governmental agency communicated to the City anything that the City believes to be a threat of any such action, litigation or proceeding.

(viii) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City has received no notice of and has no knowledge of any violations of law, municipal or county ordinances, or other legal requirements with respect to the Sales Parcel or with respect to the use, occupancy or construction thereon.

(ix) No portion of the Sales Parcel is located within a one hundred (100) year flood plain.

(x) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City is not aware of any pending or threatened rezoning of all or any part of the Sales Parcel, except for any rezoning efforts being conducted or to be conducted in connection with permitting of the Sales Parcel in connection with the Participating Parcel for development as contemplated by this Agreement.

H. [§ 110] Developer Representations

The Developer represents, warrants and covenants to the City as follows:

(i) The Developer is a limited liability company, duly organized and in existence in accordance with the laws of the State of California and is authorized and qualified to own the Site. Further, the Developer (x) has complete and full authority to execute this Agreement and to accept conveyance from the City and develop the Sales Parcel in conjunction with the Participating Parcel subject to the terms and conditions of this Agreement, (y) will execute and deliver such other documents, instruments, agreements, including (but not limited to) affidavits and certificates, as are necessary to effectuate the transaction contemplated herein, and (z) will take all such action necessary or appropriate to effect and facilitate the development of the Site as contemplated by this Agreement, subject to the Regional Water Quality Control Board remediation investigation of the Sales Parcel. The individuals/entities executing this Agreement on behalf of the Developer further represent and warrant that he/they/it is (are) signing this Agreement on behalf of the Developer and is duly qualified and an appointed representative of the Developer and has all requisite power and authority on behalf of the Developer to cause the Developer to enter into this Agreement as a valid, binding and enforceable obligation of the Developer.

(ii) Subject to the Regional Water Quality Control Board remediation investigation of the Sales Parcel, neither the entering into of this Agreement nor the

consummation of the transaction contemplated hereby will constitute or result in a violation or breach by the Developer of any judgment, order, writ, injunction or decree issued against or imposed upon it, or will result in a violation of any applicable law, order, rule or regulation of any governmental authority. There is no action, suit, proceeding or investigation pending or threatened that creates a lien or that would become a cloud on the title to the Participating Parcel or any portion thereof or that questions the validity or enforceability of the transaction contemplated by this Agreement or any action taken pursuant hereto in any court or before or by any Federal, district, county, or municipal department, commission, board, bureau, agency or other governmental instrumentality.

(iii) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the Developer has no knowledge of, nor has the Developer received any notice of, any actual or threatened action, litigation, or proceeding by any organization, person, individual or governmental agency against it and/or the Participating Parcel that would preclude the Developer from acquiring the Sales Parcel and developing the Site pursuant to the terms and conditions of this Agreement.

(iv) To the best of the Developer's knowledge: (x) all assessments that are liens against the Participating Parcel are shown in the official records of the taxing authorities in whose jurisdiction the Site is located; (y) no improvements (site or area) have been constructed or installed by any public authority, the cost of which may be assessed in whole or in part against any part of the Participating Parcel in the future; and (z) the City has not been notified of any possible future improvements that might create an assessment against any part of the Participating Parcel.

(v) The Developer has not received any notice of, and has no knowledge of, any pending or threatened taking or condemnation of the Participating Parcel or any portion thereof.

(vi) To the best of the Developer's knowledge and except as previously presented by the Developer letter identifying same and approved by the City, the Participating Parcel is free of any right of possession or claim of right of possession of any party other than the Developer, and there are no leases or occupancy agreements currently in effect and/or affecting any portion of the Participating Parcel. Except as otherwise permitted by the City, the Developer will not sell, encumber, convey, assign, pledge, lease or contract to sell, convey, assign, pledge, encumber or lease all or any part of the Participating Parcel, nor restrict the use of all or any part of the Participating Parcel, nor take or cause or allow any action to be taken in conflict with this Agreement for a period of five (5) years following the issuance of the Release of Construction Covenants. The Developer additionally hereby represents and warrants that no rights of first refusal or similar agreements exist in connection with the Participating Parcel that would in any way interfere with or compromise the Developer's ability to develop the Participating Parcel in conjunction with the Sales Parcel as provided in the Agreement.

(vii) The Participating Parcel has legal access to and from all street fronts and adjoining rights-of-way.

(viii) The Developer has received no notice of and has no knowledge of any violations of law, municipal or county ordinances, or other legal requirements with respect to the Participating Parcel or with respect to the use, occupancy or construction thereon.

(ix) No portion of the Participating Parcel is located within a one hundred (100) year floodplain.

(x) The Developer is not aware of any pending or threatened rezoning of all or any part of the Participating, except for any rezoning efforts being conducted or to be conducted in connection with permitting of the Participating Parcel in connection with the Sales Parcel for development as contemplated by this Agreement.

II. [§ 200] DISPOSITION OF THE SALES PARCEL

A. [§ 201] Sale and Purchase

In accordance with and subject to all the terms, covenants, and conditions of this Agreement, the City agrees to sell to Developer and Developer agrees to purchase the Sales Parcel as shown on the Site Map (Attachment No.1) and more precisely described in that certain Legal Description attached hereto and made a part hereof as Attachment No. 1A. The Developer shall pay to the City as the total purchase price for the Sales Parcel, the Developer's Purchase Price as well as the Excess Purchase Price and Additional Purchase Price (to the extent applicable and warranted) in the accordance with the amounts and terms set forth in the Method of Financing, attached hereto as Attachment No. 2 and fully incorporated herein by this reference (the "Purchase Price"). The sale of the Sales Parcel shall be subject to satisfaction of all conditions precedent, as set forth in this Agreement and the Method of Financing.

B. [§ 202] Escrow

The City agrees to open an escrow for conveyance of the Sales Parcel in the County of Los Angeles with an escrow company or escrow agent acceptable to both the City and the Developer (the "Escrow Agent") as escrow agent, within the time provided in the Schedule of Performance attached hereto as Attachment No. 3 and incorporated herein by this reference. Sections 203-213 inclusive of this Agreement constitute the joint escrow instructions of the City and the Developer, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of the escrow. The City and the Developer shall provide such additional escrow instructions consistent with this Agreement as shall be necessary. The Escrow Agent hereby is empowered to act under such instructions, and upon indicating its acceptance thereof in writing, delivered to the City and to the Developer within five (5) days after opening of the escrow, the Escrow Agent shall carry out its duties as Escrow Agent hereunder.

The Sales Parcel shall be conveyed in a single conveyance for the construction and development of the improvements on the Site (i.e., the Sales Parcel and the Participating Parcel) provided for in this Agreement. Upon delivery of the Grant Deed for the Sales Parcel to the Escrow Agent by the City pursuant to Section 205 of this Agreement, the Escrow Agent shall record such Grant Deed in accordance with these escrow instructions, provided that the title to the Sales Parcel can be vested in the Developer in accordance with the terms and provisions of this Agreement. The Escrow Agent shall buy, affix, and cancel any transfer stamps required by law. The Escrow Agent shall also disclose and provide the Developer with all pertinent documentary transfer tax information and costs prior to the close of escrow. Any insurance policies governing the applicable Site are not to be transferred.

The Developer shall pay into escrow to the Escrow Agent all fees, charges and costs necessary for the acquisition and conveyance of the Sales Parcel to Developer chargeable to Developer hereunder, promptly after the Escrow Agent has notified Developer of the amount of such fees, charges and costs, but not earlier than ten (10) days prior to the scheduled date for the conveyance of the Sales Parcel. Such fees, charges and costs shall include, without limitation:

- (1) One half of the escrow fee;
- (2) All premiums for title insurance required by Developer in excess of a CLTA title insurance policy;
- (3) One half of the costs necessary to place the title to the Sales Parcel in the condition for conveyance required by the provisions of this Agreement;
- (4) Notary fees;
- (5) Ad valorem taxes, if any, upon the Sales Parcel or upon this Agreement or any rights hereunder, attributable to the period following the conveyance of title or possession; and
- (6) Any State, County or City documentary stamps or transfer tax.

The Developer shall also deposit the Purchase Price and/or proof of payment of the Purchase Price (less any deposit amount) with the Escrow Agent at the same time in accordance with the provisions of Section 207 of this Agreement.

With the exception of one half of the escrow fee and the costs attributed to the CLTA title insurance policy, the City shall not be required to pay any costs, fees or charges in connection with the acquisition and conveyance of the Sales Parcel. Unless otherwise specified in this Agreement, each party shall be responsible for the payment of its own legal fees.

The City shall timely and properly execute, acknowledge and deliver the Grant Deed conveying to Developer title to the Sales Parcel in accordance with the requirements of Section 205 of this Agreement, together with an estoppel certificate certifying that Developer has completed all acts (except deposit of the Purchase Price and/or proof of payment of the Purchase

Price) necessary to entitle Developer to such conveyance, if such be the fact. The City shall also timely and properly execute any and all other documents including a FIRPTA Certificate and a Form 590 RE to the extent necessary for conveyance of the Sales Parcel to the Developer.

Upon the closing of Escrow, the Escrow Agent is authorized to:

- (1) Pay, and charge Developer for any fees, charges and costs payable under this Section 202. Before such payments are made, the Escrow Agent shall notify the City and Developer of the fees, charges and costs necessary to clear title and close the escrow.
- (2) Disburse funds and deliver the Grant Deed and other documents to the parties entitled thereto when the conditions of this escrow have been fulfilled by the City and Developer. The Purchase Price shall not be disbursed by the Escrow Agent unless and until it has recorded the Grant Deed and has delivered to Developer a title insurance policy insuring title and conforming to the requirements of Section 208 of this Agreement.
- (3) Record any instruments delivered through this escrow if necessary or proper to vest title in Developer in accordance with the terms and provisions of the escrow instructions portion of this Agreement (Sections 200-212).

All funds received in the escrow shall be deposited by the Escrow Agent in a separate interest-earning escrow account with any state or national bank doing business in the State of California and reasonably approved by Developer and the City. All interest earned on the funds shall be payable or credited to the Developer with all interest adjustments made on the basis of a thirty (30) day month. Any payment of interest to the Developer shall be made by check by the Escrow Agent. The Developer shall also be fully responsible for any and all costs required to establish and/or maintain the separate interest-earning account.

If this escrow is not in condition to close on or before the time for conveyance established in Section 207 of this Agreement, either party who then shall have fully performed the acts to be performed before the conveyance of title may, in writing, demand the return of its money, papers, or documents from the Escrow Agent. No demand for return shall be recognized until ten (10) days after the Escrow Agent (or the party making such demand) shall have mailed copies of such demand to the other party or parties at the address of its principal place of business. Objections, if any, shall be raised by written notice to the Escrow Agent and to the other party within the ten- (10) day period, in which event the Escrow Agent is authorized to hold all money, papers, and documents with respect to the Site until instructed by a mutual agreement of the parties or, upon failure thereof, by a court of competent jurisdiction. If no such demands are made, the escrow shall be closed as soon as possible.

If objections are raised as above provided for, the Escrow Agent shall not be obligated to return any such money, papers, or documents except upon the written instructions of both the City and Developer, or until the party entitled thereto has been determined by a final decision of

a court of competent jurisdiction. If no such objections are made within said 10-day period the Escrow Agent shall immediately return the demanded money, papers, or documents.

Any amendment to the escrow instructions shall be in writing and signed by both the City and Developer. At the time of any amendment the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

All communications from the Escrow Agent to the City or Developer shall be directed to the addresses and in the manner established in Section 601 of this Agreement for notices, demands, and communications between the City and Developer.

The liability of the Escrow Agent under this Agreement is limited to performance of the obligations imposed upon it under Sections 202 to 212, inclusive, of this Agreement.

C. [§ 203] Conveyance of Title and Delivery of Possession

Subject to any mutually agreed upon extension of time, conveyance to the Developer of title to the Sales Parcel in accordance with the provisions of Section 209 of this Agreement shall be completed on or prior to the date specified in the Schedule of Performance (Attachment No. 3) or such later date mutually agreed to in writing by the City and the Developer and communicated in writing to the Escrow Agent.

Except as otherwise provided herein, exclusive possession of the Sales Parcel shall be delivered to the Developer by the City concurrently with the conveyance of title thereto. The Developer shall accept title and possession to the Sales Parcel on or before the date established therefor in this Section 207 and subject to the conditions of closing as set forth in this Agreement.

D. [§ 204] Form of Deed

The City shall convey to the Developer title to the Sales Parcel in the condition provided in Section 204 of this Agreement by a "Grant Deed" substantially in the form attached to this Agreement as Attachment No. 5 and by this reference is fully incorporated herein. The Grant Deed to the Sales Parcel shall contain those covenants necessary or desirable to carry out the terms and conditions of this Agreement.

E. [§ 205] Condition of Title

The City shall convey to the Developer fee simple merchantable title to the Sales Parcel free and clear of all liens, bonds, encumbrances, assessments, easements, leases and taxes; except those which are set forth in this Agreement and included in the Grant Deed, and those which are otherwise consistent with this Agreement and which are acceptable to the Developer; provided however that no covenants, conditions, restrictions or equitable servitudes shall prohibit or limit the development permitted by the Scope of Development (Attachment No. 4). Title to the Sales Parcel shall be subject to the exclusion therefrom of all oil, gas, hydrocarbon substances and minerals of every kind and character lying more than 500 feet below the surface, together with

the right to drill into, through, and to use and occupy all parts of the Sales Parcel lying more than 500 feet below the surface thereof for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances or minerals from the Sales Parcel, but without, however, any right to use or disturb either the surface of the Sales Parcel or any portion thereof within 500 feet of the surface for any purpose or purposes whatsoever.

All references to conveyance of title to the Sales Parcel in this Agreement shall also mean delivery of possession as referred to in this Section as the context may require.

However, notwithstanding anything in this Agreement to the contrary, the Developer hereby acknowledges that the Sales Parcel is subject to the performance of certain remediation activity and testing promulgated and conducted thereon by the Regional Water Quality Control Board, and despite such remediation activity and testing, elects to close escrow and acquire fee title to the Sales Parcel.

F. [§ 206] Time and Place for Delivery of Deed

Subject to any mutually agreed upon extension of time, the City shall deposit the Grant Deed for the Sales Parcel with the Escrow Agent on or before the date established for the conveyance of the Sales Parcel in the Schedule of Performance (Attachment No. 3).

G. [§ 207] Payment of the Purchase Price and Recordation of the Deed

The Developer shall promptly deposit the Purchase Price and/or proof of payment of the Purchase Price for the Sales Parcel with the Escrow Agent upon or prior to the scheduled date for conveyance thereof, provided that the Escrow Agent shall have notified the Developer in writing that the Grant Deed conveying the Sales Parcel to the Developer, properly executed and acknowledged by the City, has been delivered to the Escrow Agent and that title or possession is in condition to be conveyed in conformity with the provisions of Section 209 of this Agreement. The Escrow Agent shall deliver the Purchase Price to the City immediately following the delivery to the Developer of a title insurance policy insuring title in conformity with Section 208 of this Agreement and the filing of the Grant Deed for recordation among the land records in the Office of the County Recorder for Los Angeles County.

H. [§ 208] Title Insurance

Concurrently with recordation of the Grant Deed, First American Title Insurance Company or another title insurance company satisfactory to the City and the Developer ("Title Co.") shall provide and deliver to the Developer a 1970 Form B ALTA extended coverage owner's title insurance policy issued by Title Co. insuring that the title is vested in the Developer in the condition required by Section 205 of this Agreement, and any special endorsements which the Developer reasonably requests. The Title Co. shall provide the insurance policy and the title insurance policy shall be in the amount of the Purchase Price of the Sales Parcel or in such greater amount as the Developer may specify as hereinafter provided.

Concurrently with the issuance of the title policy for the Site, the Title Co. shall, if requested by the Developer, provide the Developer with an endorsement to insure the amount of the Developer's estimated construction costs of the improvements to be constructed on the Site and any lender's interest in the Site.

The Developer shall pay for all premiums attributable to any extended coverage or special endorsements which it requests above and beyond a CLTA title insurance policy.

I. [§ 209] Taxes and Assessments

Ad valorem taxes and assessments, if any, on the Sales Parcel, and taxes upon this Agreement or any rights hereunder, levied, assessed or imposed for any period, commencing prior to conveyance of title or possession of the Sales Parcel to the Developer, shall be borne by the City. Ad valorem taxes and assessments, if any, on the Sales Parcel, and taxes upon this Agreement or any rights hereunder, levied, assessed or imposed for any period, commencing after conveyance of title or possession of the Sales Parcel to the Developer, shall be borne by the Developer.

Ad valorem taxes and assessments, if any, on the Participating Parcel, and taxes upon this Agreement or any rights hereunder, levied, assessed or imposed for any period, commencing both prior and subsequent to conveyance of title or possession of the Sales Parcel to the Developer, shall be borne by the Developer.

J. [§ 210] Occupants of the Sales Parcel

City agrees that title to the Sales Parcel shall be conveyed free of any possession or right of possession except those title exceptions approved by the Developer and expressly provided in this Agreement.

K. [§ 211] Zoning of the Site

Prior to the conveyance of the Sales Parcel, the Developer shall take such actions as are necessary to procure the appropriate zoning and subdivision map of the Site, and obtain the requisite City land use regulations and designations so as to permit the development of the Site and construction of the improvements thereon and the use, operation and maintenance of the improvements in accordance with the provisions of this Agreement (the "Entitlements"). The City shall provide all proper and reasonable assistance to the Developer in connection therewith, and shall use its good faith and best efforts in cooperating with and facilitating Developer's efforts to obtain all of the necessary Entitlements and/or any other discretionary permits required for the development of the Site.

L. [§ 212] Condition of the Sales Parcel

The Sales Parcel, and each portion thereof, shall be conveyed in an "as is" condition, with no warranty, express or implied by the City as to the condition of the soil, water, or presence of "Hazardous Substances" (as defined herein) its geology, or the presence of known or unknown

contaminants. In this regard, the City, at the request of the Developer, shall make available to the Developer all documents within its possession pertinent to the condition of the Site. Except as otherwise and specifically provided for in this Agreement, it shall be the sole responsibility of the Developer, at the Developer's expense, to investigate and determine the soil and water conditions of the Site (i.e., the Sales Parcel and Participating Parcel) and the suitability of the Site for the development to be constructed on the Site by the Developer. However, notwithstanding the foregoing, the City shall be responsible for the remediation of all Hazardous Substances on the Sales Parcel identified by the Developer on the Sales Parcel subject to the following limitations: (a) all such Hazardous Substances identified by the Developer is communicated in writing to the City within five (5) years following the execution of this Agreement by the City; (b) none of the identified Hazardous Substances on the Sales Parcel is the result of any action taken by Developer and/or any of its contractors, consultants, employees, agents, successors, assigns, etc., whether acting on behalf of the Developer or not; and (c) the total cost to the City of remediating all identified Hazardous Substances shall not exceed the amount of One Million Three Hundred Thousand Dollars (\$1,300,000) (the "Remediation Costs"). Subject to the remediation obligation, if any established in this paragraph, the City agrees to indemnify, defend (with legal counsel of City's choice) and hold the Developer harmless from any costs, claims, damages, or liability arising from such obligation. However, notwithstanding the foregoing, the City shall not be responsible for (and such indemnity shall not apply to) acts of negligence or misconduct on the part of the Developer, its officers, employees, contractors, agents, tenants, consultants, assignees and/or successors-in-interest. All such indemnity costs required of the City, if any, shall be subject to and included in the Remediation Costs. The indemnity provision of this paragraph shall survive termination of this Agreement; provided the following: (a) the City has issued the Release of Construction Covenants to the Developer pursuant to Section 324 of this Agreement; and (b) the Developer has timely identified and notified the City of the presence of Hazardous Substances on the Sales Parcel as set forth in this paragraph.

Any and all costs attributable to the remediation of Hazardous Substances on the Sales Parcel by the City pursuant to this paragraph in excess of the Remediation Costs shall be the sole responsibility of the Developer.

Moreover, the City shall be fully responsible for satisfying the remediation requirements of the Regional Water Quality Control Board relating to the Sales Parcel (the "RWQCB Remediation"). All such costs for the RWQCB Remediation shall be the sole responsibility of the City.

With the exception of the remediation activities arising from the RWQCB Remediation and the Remediation Costs (to the extent applicable), and consistent with the requirements of Section 309 of this Agreement, Developer shall defend, indemnify and hold City and Inglewood Redevelopment Agency and their respective officers, members, employees, contractors, consultants, agents and successors harmless from any costs, claims, damages or liabilities pertaining to or arising from the performance of any tests and inspections of the Site, or any portion thereof. Any damage or injury to any of the parcels comprising the Sales Parcel or any

improvement thereon resulting from any such test or inspection shall be promptly repaired or restored by Developer at its sole expense.

For purposes of this Agreement, "Hazardous Substances" means: (a) those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in CERCLA or RCRA; (b) those substances defined as "hazardous wastes" in ' 25117 of the California Health & Safety Code, or as "hazardous substances" in ' 25316 of the California Health & Safety Code, and in the regulations promulgated pursuant to said laws; (c) those substances listed in the United States Department of Transportation Table (49 C.F.R. 172.101 and amendments thereto) or by the Environmental Protection City (or any successor agency) as hazardous substances (40 C.F.R. part 302 and amendments thereto); (d) any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a "hazardous substance" pursuant to ' 311 of the Clean Water Act, 33 U.S.C. 1251 et seq. (33 U.S.C. 1321) or listed pursuant to ' 311 of the Clean Water Act (33 U.S.C. 1317), (v) flammable explosives, or (vi) radioactive materials; and (e) such other substances, materials and wastes which are or become classified as hazardous or toxic under any of the Environmental Laws or any other applicable local, state or federal law, or otherwise are or become regulated under any Environmental Law(s).

M. [§ 213] Relationship of City and Developer

Nothing contained in this Agreement or in any other document or instrument made in connection with this Agreement shall be deemed or construed to create a partnership, tenancy in common, joint tenancy, joint venture or co ownership by or between the City and the Developer.

O. [§ 214] Preliminary Work by the Developer

Prior to the conveyance of title to the Sales Parcel, representatives of the Developer shall have the right of access to and entry upon the Sales Parcel at all reasonable times, for the purpose of obtaining data and making surveys and tests necessary to carry out this Agreement. The Developer agrees to defend, indemnify and hold the City, and their officers, employees, contractors and agents, harmless for any and all claims, liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising out of any work or activity of the Developer, its officers, employees, contractors and agents, permitted pursuant to this Section 214, which indemnity shall not apply any negligence or willful misconduct by the City, its staff, agents or contractors. The City agrees to provide, or cause to be provided, to the Developer all data and information pertaining to the Sales Parcel and in its possession within five (5) business days following receipt of written request from the Developer requesting such data and information.

P. [§ 215] Submission of Evidence of Financing

Within the times established respectively therefore in the Schedule of Performance (Attachment No. 3), the Developer shall submit to the City evidence reasonably satisfactory to the City that the Developer has obtained firm and binding commitments for financing necessary

for the acquisition of the Sales Parcel and development of the Site in accordance with this Agreement.

The Developer's first submission of such evidence of financing shall include:

1. A project budget, current as of the close of escrow for the conveyance of the Sales Parcel, setting forth all development costs for the Site (the "Development Costs"), or a certification by the Developer that the Project Budget attached to this Agreement as Attachment No. 2A remains accurate;
2. A copy of the commitment or commitments obtained by the Developer for any mortgage loan or loans or other financing for construction financing to finance the entire cost of acquisition of the Sales Parcel and construction of the improvements on the Site or the applicable portion thereof in the event of a phasing of the construction of the improvements on the Site (as defined in the Scope of Development), certified by the Developer to be a true and correct copy or copies thereof. The commitment or commitments for financing shall be in such form and content acceptable to the City as reasonably evidences a commitment normally issued by an institutional lender.
3. Documentary evidence reasonably satisfactory to the City of sources of equity capital sufficient to demonstrate that the Developer has adequate funds committed to cover the difference, if any, between the Development Cost less financing authorized by mortgage loans for the development of the Site.
4. A schedule of all tenants obtained to date to occupy space within the Site, together with the amount of space, lease term, and minimum and performance rent and tenant improvement allowance applicable thereto, and copies of such tenant leases (to be provided to City Special Counsel for confidential review) if requested by the City, certified to be true and correct copies thereof.

The Developer's second submission of such evidence of financing shall include:

1. A copy of the contract between the Developer and the general contractor or contractors for the construction of the improvements on the Site or the applicable portion thereof in the event of a phasing of the construction of the improvements on the Site, certified by the Developer to be a true and correct copy thereof.
2. Copies of any construction loan documents, including but not limited to any loan agreement, note and trust deed, as well as equity commitment documents, pertaining to the development of the Site in final form to be closed through the escrow provided for in Section 202, together with evidence that any such documents have been submitted to escrow and that there are no outstanding conditions, except as required by this Agreement to be satisfied concurrently with closing of any mortgage loan and/or other financing for the development of the

Site, which would preclude closing and initial funding of such construction loan or loans and equity provided to and/or by the Developer.

The City shall approve or disapprove each such submission of evidence of financing within the times established in the Schedule of Performance. Such approval shall not be unreasonably withheld. If the City shall disapprove any such evidence of financing, the City shall do so by written notice to the Developer stating the reasons for such disapproval. The Developer shall promptly, but in any event prior to the dates respectively required for submission of evidence of financing in the Schedule of Performance, obtain and submit to the City new evidence of financing. The City shall approve or disapprove such new evidence of financing in the same manner and within the same times established in this Section 215 for the approval or disapproval of the evidence of financing as initially submitted to the City..

Q. [§ 216] CEQA Requirements

Certain environmental documents necessary for the development of the Site by the Developer have been prepared and certified by the City for the Merged Inglewood Redevelopment Project in compliance with the requirements of the California Environmental Quality Act of 1970, as amended from time to time (California Public Resources Code, Section 2100 et seq., hereinafter referred to as "CEQA") and all applicable State regulations and local ordinances and regulations enacted pursuant thereto. Any further environmental clearance and/or documentation required for the development of the Site as contemplated by this Agreement shall be the sole responsibility of the Developer.

III. [§300] DEVELOPMENT OF THE SITE

A. [§301] Responsibilities for Development of the Site

The Developer shall be responsible for the development on the Site in accordance with the requirements of this Agreement.

B. [§ 302] Scope of Development

The Site shall be developed in accordance with and within the limitations established in the "Scope of Development" which is incorporated herein and attached to this Agreement as Attachment No. 4.

C. [§ 303] Basic Concept Drawings

The Developer shall prepare and submit Basic Concept Drawings and related documents for the development of the Site to the City for review and approval within the time established in the Schedule of Performance. Basic Concept Drawings and related documents shall include a site plan, floor plans, elevations, cross section drawings illustrating the relationship of the buildings to any adjacent residential area, and a landscape plan of the Improvements as they are to be developed and constructed on the Site. These drawings shall, unless both parties agree otherwise,

conform to the requirements of any applicable community plan, development standards established in the Scope of Development (Attachment No. 4) and the City Zoning Code.

The Site, and related off-site improvements, shall be developed as established in the Basic Concept Drawings and related documents except as changes may be mutually agreed upon between the Developer and the City. Any such changes shall be within the limitations of the Scope of Development.

D. [§ 304] Landscaping and Finish Grading Plans

The Developer shall prepare and submit to the City for its approval preliminary and final landscaping and preliminary and finish grading plans for the Site. The plans shall conform to the requirements of the City of Inglewood and the development standards established in the Scope of Development (Attachment No. 4) by the City and the City and the City Zoning Code. All plans shall be prepared and submitted within the times established in the Schedule of Performance.

The landscaping plans shall be prepared by a professional landscape architect and the grading plans shall be prepared by a licensed civil engineer. Such landscape architect and/or civil engineer may be the same firm as the Developer's architect. Within the times established in the Schedule of Performance, the Developer shall submit to the City for approval the name and qualifications of its architect, landscape architect, and civil engineer, which approval shall not be unreasonably withheld.

The landscaping plans shall include a lighting program which highlights the design of the exterior components of the development including but not limited to building facades, architectural and landscaping detail and sculpture.

E. [§ 305] Construction Drawings and Related Documents for the Site

The Developer shall prepare and submit construction drawings and related documents (collectively called the "Drawings") for the development of the improvements on the Site as well as all applicable off-site public improvements to the City for review (including but not limited to architectural review), and written approval within the times established in the Schedule of Performance (Attachment No. 3). The Drawings shall be submitted in three (3) three stages: Schematic, Preliminary Drawings and Final Construction Drawings. Schematic all drawings shall include a refined site plan, elevations and sections of the improvements. Preliminary Drawings are hereby defined as design development drawings. Final Construction Drawings are hereby defined as those in sufficient detail to obtain a building permit.

Approval of progressively more detailed drawings and specifications will be promptly granted by the City if developed as a logical evolution of drawings or specifications theretofore approved. Any items so submitted and approved by the City shall not be subject to subsequent disapproval.

During the preparation of all drawings and plans, the City and the Developer shall, at the request of the City, hold regular progress meetings to coordinate the preparation of, submission to, and review of the Drawings by the City. The City and the Developer shall communicate and consult informally as frequently as is necessary to ensure that the formal submittal of any documents to the City can receive prompt and speedy consideration.

If any revisions or corrections of plans approved by the City shall be required by any government official, agency, department, or bureau having jurisdiction over the development of the Site, the Developer and the City shall cooperate in efforts to obtain a waiver of such requirements or to develop a mutually acceptable alternative.

F. [§ 306] City Approval of Plans, Drawings and Related Documents

Subject to the terms of this Agreement, the City shall have the right of architectural review of all plans and submissions, including any proposed changes therein. The City shall approve or disapprove the plans, drawings and related documents referred to in Section 303, 304 and 305 of this Agreement within the times established in the Schedule of Performance (Attachment No. 3). If approved, such approval shall constitute and indicate that such approved plans, drawings and related documents are in compliance with the Redevelopment Plan and all other City-adopted land use regulations applicable to the Site. Failure by the City to either approve or disapprove within the times established in the Schedule of Performance shall be deemed an approval hereunder. Any disapproval shall state in writing the reasons for disapproval and any changes which the City requests to be made. Such reasons and such changes must be consistent with the Scope of Development (Attachment No. 4) and any items previously approved or deemed approved hereunder. The Developer, upon receipt of a disapproval based upon powers reserved by the City hereunder, shall promptly revise the plans, drawings and related documents, and resubmit the subject plans, drawings and related documents to the City as soon as reasonably possible after receipt of the notice of disapproval.

If the Developer desires to make any substantial change(s) to the Final Construction Drawings after approval, such proposed change(s) shall be promptly submitted to the City for approval. If the Final Construction Drawings, as modified by the proposed change, conform to the requirements of Section 305 of this Agreement and the Scope of Development, the proposed change(s) shall be approved and the Developer shall be notified in writing within thirty (30) days after submission. Such change in the construction plans shall, in any event, be deemed approved unless rejected in whole or in part, by written notice thereof setting forth in detail the reasons therefor, and such rejection shall be made within said thirty- (30) day period.

G. [§ 307] Cost of Construction

The cost of developing the Site, and constructing the Improvements thereon, shall be borne by the Developer, except as otherwise expressly and specifically provided herein.

H. [§ 308] Schedule of Performance

After the conveyance of title to and possession of the Sales Parcel, or any portion thereof, the Developer shall promptly begin and thereafter diligently prosecute to completion the construction of the Improvements on the Site or the applicable portion thereof, and the development thereof as provided in the Scope of Development (Attachment No. 4). The Developer shall begin and complete all construction and development of the Improvements on the Site within the times specified in the Schedule of Performance (Attachment No. 3) with such reasonable extensions of said dates as may be granted in writing by the City. The Schedule of Performance is subject to revision from time to time as mutually agreed upon in writing by the Developer and the City.

During periods of construction, the Developer shall submit to the City a written report of the progress of the construction when and as reasonably requested by the City, but in no event shall the Developer be required to submit any such report more often than monthly. The report shall be in such form and detail as may be reasonably required by the City and shall include a reasonable number of construction photographs (if requested) taken since the last report by the Developer.

Without limiting the foregoing, prior to the completion of the Improvements on the Site, and also prior to completion of any off-site improvements related to and required as part of the development of the Site for which the Developer shall be responsible, the Developer and its architect shall formally demonstrate to the City (or its designee) that the actual structural design and construction of the improvements on the Site are consistent with the plans, drawings and specifications theretofore approved by the City for the development.

I. [§ 309] Indemnification during Construction; Bodily Injury and Property
Damage Insurance

During the period commencing with execution of this Agreement by the City, and continuing until such time as the City has issued a Release of Construction Covenants with respect to the construction of the Improvements on the Site, the Developer agrees to and shall indemnify and hold the City, the City and their respective officers, employees, contractors and agents harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall occur on or adjacent to the Site and which shall be directly or indirectly caused by any acts done thereon or any errors or omissions of the Developer or its officers, employees, contractors or agents with the exception of acts, errors or omissions of the City, City, and/or their respective officers, employees, contractors or agents.

During the period commencing with any preliminary work on the Site by Developer under Section 214, or if none, then commencing with conveyance of title and possession of the Sales Parcel to Developer, and ending on the date when a Release of Construction Covenants has

been issued with respect to the entire Site, the Developer shall furnish or cause to be furnished to the City, duplicate originals or appropriate certificates of bodily injury and property damage insurance policies in the amount of at least \$3,000,000 combined single limit liability naming the City, the City, and their respective officers, employees, contractors and agents as additional insureds.

J. [§ 310] Antidiscrimination during Construction

The Developer, for itself and its successors and assigns, agrees that in the construction of the Improvements on the Site as provided for by this Agreement, the Developer will not discriminate against any employee or applicant for employment because of sex, marital status, race, color, creed, religion, national origin, or ancestry.

K. [§ 311] Local, State and Federal Laws

The Developer shall carry out the construction of the Improvements on the Site in conformity with all applicable laws, including all applicable federal and state labor standards. The Developer shall carry out development, construction (as defined by applicable law) and operation of the improvements on the Site, including, without limitation, any and all public works (as defined by applicable law), in conformity with all applicable local, state and federal laws, including, without limitation, all applicable federal and state labor laws (including, without limitation, the requirement to pay state prevailing wages to the extent applicable). The Developer hereby expressly acknowledges and agrees that neither City nor the City has ever previously affirmatively represented to the Developer or its contractor(s) for the construction or development of the improvements in writing or otherwise, in a call for bids or otherwise, that the work to be covered by this Agreement is not a "public work," as defined in Labor Code Section 1720. Developer hereby agrees that Developer shall have the obligation to provide any and all disclosures or identifications required by Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time, or any other similar law. The Developer shall indemnify, protect, defend and hold harmless the City, City and their respective officers, employees, contractors and agents, with counsel reasonably acceptable to the City and City, from and against any and all loss, liability, damage, claim, cost, expense and/or "increased costs" (including reasonable attorneys' fees, court and litigation costs, and fees of expert witnesses) which, in connection with the development, construction (as defined by applicable law) and/or operation of the improvements, including, without limitation, any and all public works (as defined by applicable law), results or arises in any way from any of the following: (1) the noncompliance by the Developer of any applicable local, state and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, the requirement to pay state prevailing wages); (2) the implementation of SB 966; (3) the implementation of Labor Code Section 1781 of the Labor Code, as the same may be enacted, adopted or amended from time to time, or any other similar law; and/or (4) failure by the Developer to provide any required disclosure or identification as required by Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time, or any other similar law. It is mutually agreed by the parties that, in connection with the development, construction (as defined by applicable law) and operation of the improvements, including, without limitation, any and all public works (as

defined by applicable law), the Developer shall bear all risks of payment and/or non-payment of state prevailing wages and/or the implementation of SB 966 and/or Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time, and/or any other similar law. "Increased costs" as used in this Section shall have the meaning ascribed to it in Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time. The foregoing indemnity shall survive termination of this Agreement.

L. [§ 312] City and Other Governmental City Permits

Before commencement of construction or development of any buildings, structures or other work of improvement upon the Site, the Developer, with City assistance where necessary and appropriate, shall secure or cause to be secured, any and all permits which may be required by the City or any other governmental agency affected by such construction, development or work. The City shall use its good faith efforts to assist the Developer in securing these permits.

M. [§ 313] Rights of Access

Representatives of the City and the City shall have a reasonable right of access to the Site, upon twenty-four (24) hours' prior written notice to the Developer, without charges or fees, at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the Improvements. However, no such notice shall be required in the event of an emergency involving the Site or any portion thereof.

Representatives of the City or the City shall be those who are so identified in writing by the Executive Director of the City (or his/her designee). Such representatives shall also be responsible for providing any required written notice to the Developer. All activities performed on the Site by the representatives shall be done in compliance with all applicable laws and regulations regarding health and safety, including any written safety rules and regulations of the Developer.

N. [§ 314] Responsibilities of the City

The City shall only be responsible for performing any work specified in the Scope of Development (Attachment No. 4) requiring City performance

O. [§ 315] Taxes. Assessments. Encumbrances and Liens

The Developer shall pay when due all real estate taxes and assessments assessed and levied on or against the Sales Parcel and all portions thereof, subsequent to the conveyance of the title or possession. However, the Developer shall be responsible at all times for the payment when due of all real estate taxes and assessments assessed and levied on or against the Participating Parcel. The Developer shall not place, or allow to be placed on the Site or any portion thereof, any mortgage, trust deed, encumbrance or lien not authorized by this Agreement. The Developer shall remove, or shall have removed, any levy or attachment made on the Site or

any portion thereof, except those created by work of the City, or shall assure the satisfaction thereof within a reasonable time but in any event prior to a sale thereunder. Nothing herein contained shall be deemed to prohibit the Developer from contesting the validity or amount of any tax assessment, encumbrance or lien, nor to limit the remedies available to the Developer in respect thereto. The covenants of the Developer set forth in this Section 315 relating to the placement of any unauthorized mortgage, trust deed, encumbrance, or lien, shall remain in effect only until a Release of Construction Covenants has been recorded with respect to the Site or the portion thereof upon which any unauthorized mortgage, trust deed, encumbrance or lien might be placed.

P. [§ 316] Prohibition Against Transfer Prior to Issuance of a Release of Construction Covenant

Prior to the issuance by the City of a Release of Construction Covenants pursuant to Section 324 of this Agreement, the Developer shall not, except as permitted by this Agreement, assign or attempt to assign this Agreement or any right herein with respect to the Site (or portion thereof), nor make any total or partial sale, transfer, conveyance or assignment of the whole or any part of the Site or the Improvements thereon, without prior written approval of the City. This prohibition shall not be deemed to prevent the granting of leases, easements or permits necessary to facilitate the development of the Site, nor shall it prohibit granting any security interests expressly described in this Agreement for financing the acquisition and development of the Site.

In the event that the Developer does assign this Agreement or any of the rights herein, or does sell, transfer, convey or assign any part of the Site or the buildings or structures thereon for any reason other than an involuntary condemnation action by a public entity against the Site, or any such buildings or structures thereon, prior to the recordation of the Release of Construction Covenants in violation of this Agreement, the City shall be entitled to increase the purchase price paid by the Developer for the Sales Parcel by the amount that the pro-rata consideration attributable and payable for such sale, transfer, conveyance or assignment of the Sales Parcel is in excess of the purchase price paid by the Developer for the Sales Parcel, plus the cost of any improvements and development, including carrying charges and costs related thereto. To the extent such consideration payable for such sale, transfer, conveyance or assignment is in excess of the original purchase price paid by the Developer for the Sales Parcel plus the cost of the Improvements and development, including carrying charges and costs related thereto, such excess shall belong and be paid to the City and until so paid, the City shall have a lien on the Site (or applicable portion thereof), as the case may be, for such amount. Any such lien shall be subordinate and subject to mortgages, deeds of trust, or other security instruments executed for the sole purpose of obtaining funds to purchase and develop the Site (or portion thereof) as authorized herein. At the time of any such sale, transfer, conveyance or assignment, the Developer shall submit to the City sufficient information reasonably required by the City to demonstrate that there is no such excess consideration received with respect to any such sale, transfer, conveyance or assignment or pursuant to the terms of this paragraph.

In the absence of a specific written agreement by the City, no such sale, transfer, conveyance or assignment of this Agreement or the Site (or any portion thereof), or approval by

the City of any such sale, transfer, conveyance or assignment, shall be deemed to relieve the Developer or any other party from the obligations of this Agreement.

Q. [§ 317] Security Financing; Right of Holders

[Reserved]

R. [§ 318] No Encumbrances except Mortgages, Deeds of Trust,
Conveyances and Leasebacks or Other Conveyance for Financing
for Development

Notwithstanding Section 316 above, after conveyance of title and possession to any portion of the Sales Parcel to Developer, mortgages, deeds of trust, conveyances and leasebacks, or any other form of conveyance required for any reasonable method of financing are permitted with respect to the Site before the recordation of the Release of Construction Covenants (referred to in Section 324 of this Agreement), but only for the purpose of securing loans and funds to be used for financing the acquisition of the Sales Parcel, the construction of the Improvements on the Site, and any other expenditures necessary and appropriate to develop the Site pursuant to the terms of this Agreement. The Developer shall notify the City in advance of any mortgage, deed of trust, conveyance and leaseback, or other form of conveyance for financing if the Developer proposes to enter into the same before the recordation of the Release of Construction Covenants. The Developer shall not enter into any such conveyance for financing without the prior written approval of the City, which approval the City agrees to give if any such conveyance is provided by a responsible financial or lending institution or other acceptable person or entity. Such lender shall be deemed approved unless rejected in writing by the City within thirty (30) days after receipt of notice thereof by the City. Such lender approved by the City pursuant to this Section 318, shall not be bound by any amendment, implementation, or modification to this Agreement subsequent to its approval without such lender giving its prior written consent. City and Developer shall not modify or amend this Agreement without such lender's giving its prior written approval.

In any event, the Developer shall promptly notify the City of any mortgage, deed of trust, lease, conveyance and leaseback, or other financing, conveyance, encumbrance or lien that has been created or attached to the Site (or any portion thereof) prior to completion of the construction of the improvements thereon whether by voluntary act of the Developer or otherwise.

The words "mortgage" and "deed of trust" as used herein include all other appropriate modes of financing real estate acquisition, construction, and land development.

S. [§ 319] Holder Not Obligated to Construct Improvements

The holder of any mortgage, deed of trust or other security interest authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion; nor shall any

covenants or any other provision in the grant deed for the Site be so construed as to so obligate such holder. Nothing in this Agreement shall be deemed or construed to permit, or authorize any such holder to devote the Site to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

T. [§ 320] Notice of Default to Mortgage. Deed of Trust or Other Security
Interest Holders; Right to Cure

Whenever the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in completion of construction of the Improvements, the City shall at the same time deliver to each holder of record of any mortgage, deed of trust or other security interest authorized by this Agreement a copy of such notice or demand. Each such holder shall (insofar as the rights of the City are concerned) have the right at its option within ninety (90) days after the receipt of the notice, to cure or remedy, or commence to cure or remedy, any such default and to add the cost thereof to the security interest debt and the lien of its security interest. If such default shall be a default which can only be remedied or cured by such holder upon obtaining possession, and such holder has elected to remedy or cure such default, such holder shall seek to obtain possession with diligence and continuity through foreclosure, deed in lieu of foreclosure or such other procedure as the holder may elect, and shall remedy or cure such default within ninety (90) days after obtaining possession; provided, however, that in the case of a default which cannot diligently be remedied or cured, or the remedy or cure of which cannot be commenced within such 90-day period, such holder shall have such additional time as reasonably necessary to remedy or cure such default with diligence and continuity. Moreover, any such holder shall also not be required to remedy or cure any non-curable default of the Developer. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the Improvements (beyond the extent necessary to conserve or protect the Improvements or construction already made) without first having expressly assumed the Developer's obligations to the City by written agreement reasonably satisfactory to the City. The holder in that event must agree to complete, in the manner provided in this Agreement, the Improvements to which the lien or title of such holder related, and submit evidence reasonably satisfactory to the City that it has the qualifications and/or financial responsibility necessary to perform such obligations. Any such holder properly completing such Improvements shall be entitled, upon written request made to the City, to a Release of Construction Covenants from the City.

U. [§ 321] Failure of Holder to Complete Improvements

In any case where six (6) months after default by the Developer relative to the completion of construction of the Improvements on the Site (for which a Release of Construction Covenants has not yet been issued the City pursuant to this Agreement), the holder of any mortgage, deed of trust or other security interest creating a lien or encumbrance upon the Site (or portion thereof) has not exercised the option to construct, or if it has exercised the option but has not proceeded diligently with construction (including diligent efforts to obtain possession if necessary), the City may purchase the mortgage, deed of trust or other security interest by payment to the holder of the amount of the unpaid debt, plus any accrued and unpaid interest and other charges properly

payable under the mortgage, deed of trust or other security interest; provided, however, that the holder shall have thirty (30) days after its receipt of notice from the City of its intent to effect this purchase, in which the holder may exercise the option to construct (if it has not previously done so), or may resume to proceed diligently with construction, as the case may be, and if the holder does so act, the notice from the City shall be deemed withdrawn; the foregoing right to delay purchase by the City may be exercised only once by the holder. If the ownership of the Site (or any portion thereof) has vested in the holder, the City, if it so desires, shall be entitled to a conveyance from the holder to the City upon payment to the holder of an amount equal to the sum of the following as they pertain to the Site (or portion thereof):

- (a) The unpaid mortgage, deed of trust or other security interest debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings).
- (b) All expenses with respect to foreclosure.
- (c) The net expense, if any (exclusive of general overhead), incurred by the holder as a direct result of the subsequent ownership or management of the Site (or portion thereof), such as insurance premiums and real estate taxes.
- (d) The cost of any Improvements on the Site made by such holder.
- (e) An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by the City.

V. [§ 322] Right of City to Cure Mortgage, Deed of Trust, or Other Security Interest Default

In the event of a default or breach by the Developer of a mortgage, deed of trust or other security interest with respect to the Site (or portion thereof) prior to the issuance of a Release of Construction Covenants by the City, and the holder has not exercised its option to complete the development, the City may cure the default prior to completion of any foreclosure. In such event, the City shall be entitled to reimbursement from the Developer of all costs and expenses incurred by the City in curing the default. The City shall also be entitled to a lien upon the Site (or portion thereof) to the extent of such costs and disbursements. Any such lien shall be subordinate and subject to mortgages, deeds of trust, or other security instruments executed for the sole purpose of obtaining funds to purchase and develop the Site (or portion thereof) as authorized herein.

Notwithstanding the preceding paragraph, Developer hereby acknowledges that the City shall be under no obligation pursuant to this section to cure any such default.

W. [§ 323] Right of the City to Satisfy Other Liens on the Property after Title Passes

Prior to the recordation of the Release of Construction Covenants (referred to in Section 324 of this Agreement), and the Developer, after a thirty (30) day period following its receipt of notice of the existence of any such liens or encumbrances, has failed to challenge, cure or satisfy any such liens or encumbrances on the Site (or the applicable portion thereof), the City shall have the right to satisfy any such liens or encumbrances; provided, however, that nothing in this Agreement shall require the Developer to pay or make provisions for the payment of any tax, assessment, lien or charge so long as the Developer in good faith contests the validity or amount thereof, and so long as such delay in payment shall not subject the Site (or the applicable portion thereof) to forfeiture or sale.

X. [§ 324] Release of Construction Covenants

Promptly after completion of all construction and development of the Improvements to be completed by the Developer upon the Site, the City shall furnish the Developer with a Release of Construction Covenants upon written request therefor by the Developer. The City shall not unreasonably withhold any such Release of Construction Covenants. Such Release of Construction Covenants shall be, and shall so state, conclusive determination of satisfactory completion of the construction required by this Agreement upon the Site, in substantial compliance with the plans, drawings and related document referred in Sections 304 and 305, and of full compliance with the terms hereof with respect to the development of the Improvements upon the Site. Notwithstanding the foregoing, the City may also furnish the Developer with a Release of Construction Covenants for portions of the improvements that are properly completed and ready to use if the Developer is not in default of this Agreement. After the recordation of the Release of Construction Covenants with regard to any portion of the Site, any party then owning or thereafter purchasing, leasing, or otherwise acquiring any interest therein shall not (because of such ownership, purchase, lease or acquisition) incur any obligation or liability under this Agreement, except that such party shall be bound by any covenants contained in the deed, lease, mortgage, deed of trust, contract or other instrument of transfer which shall include the provisions of Sections 400 through 404 (inclusive) of this Agreement. Neither the City nor any other person, after the recordation of the Release of Construction Covenants, shall have any rights, remedies or controls that it would otherwise have or be entitled to exercise under this Agreement with respect to the Site (or any portion thereof) as a result of a default in or breach of any provision of this Agreement, and the respective rights and obligations of the parties with reference to the Site (or portion thereof) shall be limited thereafter to those set forth in the documents recorded pursuant to Sections 400 through 404 (inclusive) of this Agreement.

The Release of Construction Covenants shall be in the form of Attachment No. 8 attached hereto and fully incorporated herein by this reference to be recorded in the Office of the Recorder of Los Angeles County.

If the City refuses or fails to furnish a Release of Construction Covenants for the Site (or portion thereof) after written request from the Developer, the City shall, within ten (10) days of

the written request, provide the Developer with a written statement which details the reasons the City refused or failed to furnish a Release of Construction Covenants. The statement shall also contain the City's opinion of the action the Developer must take to obtain a Release of Construction Covenants. If the reasons for such refusal are confined to the immediate unavailability of specific items or materials for landscaping, the City will issue its Release of Construction Covenants upon the posting of a bond by the Developer with the City in an amount representing a fair value of the work not yet completed. If the City shall have failed to provide such written statement within said 10-day period, the Developer shall be deemed entitled to the Release of Construction Covenants.

Such Release of Construction Covenants shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage, or any insurer of a mortgage securing money loaned to finance the improvements, nor any part thereof. Such Release of Construction Covenants is not a Notice of Completion as referred to in Section 3093 of the California Civil Code.

Y. [§ 325] Project Identification Sign

Prior to commencement of any construction on the Site up until the issuance of a Release of Construction Covenants by the City as set forth in Section 324 above, the Developer shall prepare and install, at its cost and expense, a project identification sign at one location along the street frontage of the Site. The sign shall be at least eighteen (18) square feet in size and visible to passing pedestrian and vehicular traffic. The design of the sign as well as its proposed location shall be submitted to the City for review and approval prior to installation. The sign shall, at a minimum, include:

- Development name
- Developer
- The phrase:

A Project of the Inglewood Redevelopment City

Mayor: James T. Butts, Jr.

Councilmembers:	Michael Stevens	1 st District
	Judy Dunlap	2 nd District
	Eloy Morales	3 rd District
	Ralph Franklin,	4 th District

- Completion Date _____.
- For information call

Developer shall obtain a current roster of Inglewood Redevelopment City before signs are printed.

IV. [§ 400] USE OF THE SITE

A. [§ 401] Uses

The Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Site or any part thereof, that, subject to the limitations specified in Section 405, during construction and thereafter the Developer, its successors and assignees shall devote the Site to the uses specified in the Redevelopment Plan, the development standards established in the Scope of Development (Attachment No.4), the City Zoning Code and the Grant Deed.

B. [§ 402] Maintenance of the Site

During construction and all times thereafter, the Developer, and its successors and assigns, shall maintain the Improvements on the Site and shall keep the Site reasonably free from graffiti and any accumulation of debris or waste materials. During construction and all times thereafter, the Developer, and its successors and assigns, shall also maintain the landscaping required to be planted under the Scope of Development in a healthy condition.

If the Developer fails to maintain the Site as required, the Developer agrees that the City shall have the right, but not the obligation, after giving five (5) business days' written notice to the Developer, to perform or cause the performance of all necessary maintenance at the Developer's expense. In such event, the City also be entitled to all related administrative or other costs associated with said performance of maintenance. Until fully reimbursed by the Developer, the City shall have a lien upon the Site in the amount of all such maintenance and related costs as set forth above.

C. [§ 403] Obligation to Refrain from Discrimination

The Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Site or any part thereof, there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site nor shall the Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site.

D. [§ 404] Form of Nondiscrimination and Nonsegregation Clauses

The Developer shall refrain from restricting the rental, sale or lease of the property on the basis of sex, marital status, race, color, creed, religion, ancestry or national origin of any person.

All deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

1. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of sex, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."
2. In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of sex, marital status, race, color, creed, religion, national origin or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall lessee itself, or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."
3. In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of sex, marital status, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

E. [§ 405] Effect and Duration of Covenants

The covenants established in this Agreement shall, without regard to technical classification and designation, be binding on Developer and any successor in interest to the Site, or any part thereof, for the benefit and in favor of the City and the Inglewood Redevelopment Agency and their respective successors and assigns. Such covenants as are to survive the recordation of the Release of Construction Covenants by the City shall be contained in the Grant Deed (Attachment No. 5) and shall remain in effect for the period specified therein. Covenants in

this Agreement not expressly set forth in the Grant Deed shall terminate upon the issuance of a Release of Construction Covenants therefor.

F. [§ 406] Rights of Access - Public Improvements and Facilities

The City for itself, and for the City and other public agencies, at their sole risk and expense, reserves the right to enter the Site or any part thereof at all reasonable times after twenty-four (24) hours' prior written notice to the Developer, and with as little interference as possible, for the purpose of constructing, reconstructing, maintaining, repairing or servicing any of the public improvements or public facilities located on the Site. Any such entry shall be subject to the 24-hour notice requirement unless there is an emergency for which immediate access to the Site is required of the City for any required construction, reconstruction, maintenance, repair or service of the public improvements or public facilities on the Site. The City shall indemnify and hold the Developer harmless from any claims or liabilities pertaining to such entry. Any damage or injury to the Site resulting from such entry shall be promptly repaired at the sole expense of the public agency responsible for the entry. The Developer also agrees to give the same rights set forth above to the City and/or other public agencies provided the City and/or other public agencies agree to be bound by the conditions set forth in this Section. The rights set forth in this Section shall be applicable to any portion of the Site.

V [§ 500] DEFAULTS, REMEDIES AND TERMINATION

A. [§501] Defaults - General

Subject to the extensions of time set forth in Section 604 and the cure periods provided in Section 507 hereof, any material failure or delay by either party to perform any term or provision of this Agreement shall constitute a default under this Agreement. The party who fails or delays must promptly commence to cure, correct or remedy such failure or delay and continue to take all steps necessary to completely cure, correct or remedy such failure or delay with reasonable diligence.

The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default. Except as otherwise expressly provided in this Agreement, any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by either party in asserting any of its rights and remedies shall not deprive either party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies provided such actions or proceedings are initiated prior to the default being cured by the defaulting party.

B. [§ 502] Legal Actions

1. [§ 503] Institution of Legal Actions

In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Los Angeles, State of California, in any other appropriate court of that county, or in the Federal District Court in the Central District of California; provided, however, that if any such legal action cannot be instituted within said forums, such action must be instituted within the nearest available forum within the State of California.

2. [§ 504] Applicable Law

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

3. [§ 505] Acceptance of Service of Process

In the event that any legal action is commenced by the Developer against the City, service of process on the City shall be made by personal service upon the Executive Director or Chairman of the City, or in such other manner as may be provided by law.

In the event that any legal action is commenced by the City against the Developer, service of process on the Developer shall be made by personal service upon any officer or managing member of the Developer and shall be valid whether made within or without the State of California, or in such manner as may be provided by law.

C. [§ 506] Rights and Remedies Are Cumulative

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

D. [§ 507] Damages

If either party is in default with regard to any of the provisions of this Agreement, the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not cured by the defaulting party within ten (10) days after receipt of a notice of default in the event of a monetary obligation, or within thirty (30) days for any other type of default, then the nondefaulting party may thereafter (but not before) commence an action for damages against the defaulting party with respect to such default. However, in the event that the default (other than a monetary obligation) is the type in which the defaulting party is incapable of curing

within the thirty (30) day cure period, then if the defaulting party fails to commence the necessary actions to cure the default within the requisite thirty (30) days and fails to continuously and diligently cure the subject default within a reasonable period of time after commencement, then the nondefaulting party may thereafter (but not before) commence an action for damages against the defaulting party with respect to such default.

E. [§ 508] Specific Performance

If the City is in default with regard to any of the provisions of this Agreement, the Developer shall serve written notice of such default upon the City. If the default is not cured by the City within ten (10) days after receipt of the notice of default in the event of a monetary obligation, or within thirty (30) days for any other type of default, then the Developer may thereafter (but not before, unless necessary to prevent immediate harm) commence an action for specific performance of the terms of this Agreement against the City with respect to such default. However, in the event that the default (other than a monetary obligation) is the type in which the City is incapable of curing within thirty (30) days, then if the City fails to commence the necessary actions to cure the default within the thirty (30) day cure period and thereafter fails to cure the subject default in a continuous and diligent manner within a reasonable period of time after commencement, then the Developer may thereafter (but not before, unless necessary to prevent immediate harm) commence an action for specific performance of the terms of this Agreement against the City with respect to such default.

F. [§ 509] Remedies and Rights of Termination

1. [§510] Termination by Developer

In the event that prior to the date established in the Schedule of Performance (Attachment No. 3) for the conveyance of title and possession of the Site to the Developer:

- a. the Developer is unable, despite commercially reasonable efforts, and within the time established respectively therefor in the Schedule of Performance to obtain approval from the City of any requisite Preliminary Subdivision Map, or Final Subdivision Map with respect to the Site, as referred to as "Subdivision Maps" in Section 703 of this Agreement; or
- b. the Developer is unable, despite commercially reasonable efforts, to obtain financing consistent with this Agreement, for the acquisition of the Sales Parcel and construction and development of the improvements on the Site in accordance with this Agreement and the Scope of Development (Attachment No. 4) and deliver to the City any submission of evidence of financing referred to in Section 219 within the time established therefor in the Schedule of Performance; or
- c. the Developer is unable, despite commercially reasonable efforts, to obtain prior to the date established in this Agreement for conveyance of the Sales

Parcel, any of the following permits or entitlements for the development of the Site in accordance with this Agreement (including the Scope of Development) and the Drawings approved by the City:

- i) final discretionary permits and/or approvals required for the development of the Site by the City or any other governmental entity having applicable jurisdiction; or
 - ii) all utility permits including any applicable sewer and water permits; or
 - iii) building permits; or
- d. the Developer shall reasonably determine that the condition on the Sales Parcel is not suitable for development thereon pursuant to Section 212 of this Agreement prior to the conveyance date established therefor in the Schedule of Performance; or
- e. the Developer is unable, despite commercially reasonable efforts, to obtain and submit to the City any submission of evidence of financing commitments referred to in Section 219 of this Agreement with respect to the Site, within the time established respectively therefor in the Schedule of Performance; or
- f. the City is unable, despite commercially reasonable efforts, to tender conveyance of title to Sales Parcel or possession thereof to the Developer in the manner and condition, and within the established time therefor in the Schedule of Performance and such failure is not be cured within thirty (30) days after the date of written demand by the Developer; or
- g. the City fails, despite commercially reasonable efforts, to timely perform any other material obligation of the development as required under this Agreement and such failure is not cured within thirty (30) days after the date of written demand by the Developer, then this Agreement may, at the option of the Developer, be terminated by giving written notice thereof to the City, and except to the extent provided in the Method of Financing (Attachment No. 2), neither the City nor the Developer nor any successor in interest shall have any further rights against or liability to the other under this Agreement with respect to the Site, other than the disposition of the Good Faith Deposit which shall be disposed of in accordance with Section C of the Method of Financing (Attachment No. 2).

2. [§511] Termination by City

In the event that prior to the date established in the Schedule of Performance (Attachment No. 3) for the conveyance of title and possession of the Site to the Developer:

- a. the Developer shall fail to deliver to the City any submission of evidence of financing commitments referred to in Section 214 of this Agreement with respect to the Site within the times established therefor in the Schedule of Performance (Attachment No. 3); or
- b. the Developer (or any successor in interest), in violation of the provisions of this Agreement, assigns or attempts to assign the Agreement or any right herein, or in the Site (or portion thereof); or
- c. there is a substantial change in the ownership of the Developer, or with respect to the identity of the parties in control of Developer, or the degree thereof contrary to the provisions of Sections 107 and 108 hereof; or
- d. the Developer does not deliver any submission of plans, drawings, and related documents as required by this Agreement by the dates respectively provided in this Agreement without the advance written consent of the City; or
- e. the Developer does not pay the purchase price and take title and possession to the Sales Parcel by the date provided therefor in the Schedule of Performance (Attachment No. 3), under a tender of conveyance by the City pursuant to this Agreement; or
- f. the Developer is unable, despite commercially reasonable efforts, to obtain prior to the date established in this Agreement for conveyance of the Site, any of the following permits or entitlements for the development of the Site in accordance with this Agreement (including the Scope of Development) and the Drawings approved by the City:
 - i) final discretionary permits and/or approvals required for the development of the Site by the City or any other governmental entity having applicable jurisdiction;; or
 - ii) all utility permits including any applicable sewer and water permits; or
 - iii) building permits; or
- g. the Developer is unable, despite commercially reasonable efforts, and within the time established respectively therefor in the Schedule of

Performance, to obtain approval from the City any Preliminary Subdivision Map or Final Subdivision Map required by the City, if any, with respect to the parcels comprising the Site, as referred to as Subdivision Maps in Section 703 of this Agreement; or

- h. the Developer fails to timely perform any other material obligation of the development of the Site as required under this Agreement, and any such default(s) or failure(s) referred to in subdivisions (a) through (h) of this Section shall not be cured within thirty (30) days after the date of written demand by the City,

then this Agreement and any rights of the Developer, or any assignee or transferee, in this Agreement, or arising therefrom with respect to the City shall, at the option of the City, be terminated with respect to the Site by written notice thereof to the Developer, and except to the extent provided in the Method of Financing (Attachment No. 2) neither the City nor the Developer, nor any assignee or transferee of the Developer, shall have any further rights against or liability to the other under this Agreement with respect to the Site, other than the disposition of the Good Faith Deposit which shall be disposed of in accordance with Section C of the Method of Financing (Attachment No. 2).

G. [§512] Right of Re-Entry

The City shall have the right, at its sole option, to reenter and take possession of the Sales Parcel (or the applicable portion thereof) with all improvements thereon, and to terminate and revert in the City the estate theretofore conveyed to the Developer, if after conveyance of title or possession to the applicable portion of the Sales Parcel and prior to the recordation of the Release of Construction Covenants pertaining to the Site (or applicable portion thereof), the Developer (or its successors in interest) shall:

- (a) fail to commence construction of the Improvements as required by this Agreement for a period of thirty (30) days after title and/or possession of the Sales Parcel has been conveyed to the Developer, provided that the Developer has not obtained an extension or postponement of time pursuant to Section 604 hereof; or
- (b) abandon or substantially suspend construction of the Improvements for a period of three (3) consecutive months after written notice of such abandonment or suspension has been given by the City to the Developer; provided Developer has not obtained an extension or postponement of time pursuant to Section 604 hereof; or
- (c) assign or attempt to assign this Agreement, or any rights herein, or transfer, or suffer any involuntary transfer of the Site, or any part thereof, in violation of this Agreement, and such violation shall not be cured within thirty (30) days after the date of receipt of written notice thereof by the City to the Developer.

Such right to re-enter, repossess, terminate, and revest shall be subject to and be limited by and shall not defeat, render invalid, or limit:

- (a) any mortgage, deed of trust, or other security interests permitted by this Agreement with respect to the Site (or applicable portion thereof); or
- (b) any rights or interests provided in this Agreement for the protection of the holders of such mortgages, deeds of trust, or other security interests.

The rights established in this Section 512 shall not apply to the Sales Parcel or any part thereof on which any improvements to be constructed thereon have been completed in accordance with the Agreement and for which a Release of Construction Covenants has been recorded therefor as provided in Section 324.

The Grant Deed to the Sales Parcel shall contain appropriate reference and provision to give effect to the City's right, as set forth in this Section 512 under specified circumstances prior to the recordation of the Release of Construction Covenants, to re-enter and take possession of the Sales Parcel (or any portion thereof), with all improvements thereon, and to terminate and revest in the City the estate conveyed to the Developer.

Subject to the rights of the holders of security interests as stated in subparagraphs (a) and (b) above, upon the revesting in the City of title to the Sales Parcel, or any part thereof, as provided in this Section 512, the City shall, pursuant to its responsibilities under state law, use its commercially reasonable efforts to resell the Sales Parcel, or part thereof, as soon and in such manner as the City shall find feasible and consistent with the objectives of the Community Redevelopment Law and the Redevelopment Plan to a qualified and responsible party or parties (as determined by the City in its sole discretion), who shall have no obligation to complete the Improvements, but shall develop the Sales Parcel, or applicable part thereof, in accordance with the uses specified in the Redevelopment Plan as determined by such parties.

Upon such resale of the Sales Parcel, or any part thereof, the proceeds thereof shall be applied:

- (a) first, to reimburse the City on its own behalf or on behalf of the City, all reasonable costs and expenses incurred by the City, including but not limited to fees of consultants engaged in connection with the recapture, management, and resale of the Sales Parcel, or applicable part thereof (but less any income derived by the City from the sale of the Sales Parcel, or applicable part thereof, in connection with such management); all taxes, assessments and water and sewer charges with respect to the Sales Parcel, or applicable part thereof (or, in the event the Site, or part thereof, is exempt from taxation or assessment or such charges during the period of City ownership, then such taxes, assessments, or charges, as would have been payable if the Site, or applicable part thereof, was not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to

obligations, defaults, or acts of the Developer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the agreed improvements or part thereof on the Sales Parcel, or applicable part thereof; and any amounts otherwise owing to the City by the Developer and its successor or transferee; and

- (b) second, to reimburse the Developer, its successor or transferee, up to the amount equal to (1) the sum of the purchase price paid to the City by the Developer for the Sales Parcel (or allocable to the part thereof); and (2) the hard and soft costs reasonably incurred for the development of the Site attributable to the Sales Parcel, or applicable part thereof, or for the construction of the Improvements thereon attributable to the Sales Parcel, or applicable part thereof, less (3) any gain or income withdrawn or made by the Developer therefrom or from the improvements thereon attributable to the Sales Parcel, or applicable part thereof.

Any balance remaining after such reimbursements shall be retained by the City as its property.

To the extent that the right established in this Section 512 involves a forfeiture, it must be strictly interpreted against the City, the party for whose benefit it is created. The rights established in this Section 512 are to be interpreted in light of the fact that the City will convey the Site, to the Developer for development and not for speculation in undeveloped land.

VI. [§ 600] GENERAL PROVISIONS

A. [§ 601] Notices, Demands and Communications between the Parties

Formal notices, demands, and communications between the City and the Developer shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested or by reputable overnight service that maintains delivery receipts (e.g., Federal Express) to the principal offices of the City and the Developer, as designated in Sections 106 and 107 hereof. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section 601.

B. [§ 602] Conflicts of Interest

No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested.

The Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement other than as specified in Section 607.

C. [§ 603] Nonliability of City Officials and Employees

No member, official, employee or consultant of the City or the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Developer or to its successor, or on any obligations under the terms of this Agreement.

D. [§ 604] Enforced Delay: Extension of Time of Performance

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, materials or tools, delays of any contractor, subcontractor or supplies, acts of the other party, acts or failure to act of the City or any other public or governmental agency or entity (other than an act or failure to act of the City or the City which shall give rise to the delaying act described above) or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within sixty (60) days of knowledge of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the City and the Developer.

Wherever this Agreement refers to performance by a specific time, or in accordance with the Schedule of Performance (Attachment No. 3), including without limitation in Sections 510 and 511 hereof, such times shall include any extensions pursuant to this Section 604.

E. [§ 605] Inspection of Books and Records

Prior to the issuance by the City of a Release of Construction for the development of the entire Site as contemplated by this Agreement, the City shall have the right at all reasonable times upon twenty-four (24) hour written notice to inspect the books and records of the Developer pertaining to the Site as pertinent to the purposes of this Agreement when needed by the City to: (1) establish the evidence of financing referred to in Section 214; (2) determine the costs, consideration and any excess consideration under Section 316; (3) determine the amount of payment provided for under Section 321; (4) to determine amounts necessary to cure under Section 322 and 323; and (5) determine the amounts due in connection with the right of re-entry referred to in Section 512.

F. [§ 606] Approvals

Except where this Agreement expressly provides for an approval of either party in its sole discretion, approvals required of the City or the Developer shall not be unreasonably withheld.

G. [§ 607] Real Estate Commissions

The City and the Developer each acknowledge and represents to the other that neither has employed the services of any brokerage firm, broker, agent, or finder in connection with this transaction and shall not be liable for any real estate commissions, brokerage fees or finders fees which may arise from the sale of the Site to Developer. In this regard, each party agrees to defend and hold the other party harmless from any claim by any broker, agent or finder retained by the any party hereto. In addition, each party represents to the other party that it has not incurred any liability for the payment of any real estate commission or brokerage or finder's fee in connection with this Agreement.

H. [§ 608] Attorneys' Fees

In the event that any litigation is commenced between the parties to this Agreement concerning any provision of this Agreement, including all attachments hereto, or the rights and obligations of any party, the parties to this Agreement hereby agree that the prevailing party in such litigation shall be entitled, in addition to such other relief as may be granted by the court, to a reasonable sum as and for its attorneys' fees in that litigation which shall be determined by the court in that litigation or in a separate action brought for that purpose.

VII. [§ 700] SPECIAL PROVISIONS

A. [§ 701] Employment and Training Agreement

The Developer and the City shall execute the Employment and Training Agreement which is incorporated herein and attached to this Agreement as Attachment No. 6, concurrently with the execution of this Agreement which shall provide for certain contracting and employment and training opportunities for qualified residents of the City of Inglewood.

B. [§ 702] Tenant/Buyer Review and Approval

Except as otherwise provided in this Agreement, all tenant/buyer space leased/purchased within any portion of the Improvements constructed on the Site by the Developer shall be subject to City approval. City approval shall not be unreasonably withheld, conditioned or delayed and shall be given or denied within five (5) business days following City receipt of written notification from the Developer identifying the proposed tenants/buyers.

C. [§ 703] Subdivision Maps

Within the times established respectively therefor in the Schedule of Performance (Attachment No. 3), the Developer, if required by the City, shall prepare and use diligent and good faith efforts to obtain approval from the City of any "Subdivision Maps" required for the development of the Sales parcel and the Participating Parcel as the Site and cause the recordation of such Subdivision Maps as appropriate. Wherever used herein the term Subdivision Maps shall include the processing of all related documents and drawings as well as related public right-of-way vacations and dedications necessary and/or appropriate for the development of the Site.

The City shall cooperate with the Developer to obtain approval from the City of any Subdivision Maps. Any Subdivision Maps shall also be subject to approval by the City.

D. [§ 704] Landscape Maintenance Assessment

The Developer shall comply with all terms and conditions set forth in any established or subsequently established landscape maintenance assessment district.

E. [§ 705] Assessment District

The Developer shall comply with all terms and conditions set forth in any established or subsequently established assessment district.

F. [§ 706] Reciprocal Easement Agreements

[Reserved]

G. [§ 707] Employment and Training Requirements

Notwithstanding anything contained in this Agreement and the Attachments to the contrary, the Developer, for itself as well as any and all successors-in interest to the Site, hereby agrees to comply and/or cause the compliance with the contracting as well as employment and training requirements set forth in the Employment and Training Requirements, which is attached to this Agreement as Attachment No. 6.

H. [§ 708] Removal of Site from Los Angeles County Property Tax Rolls

Moreover, and notwithstanding anything contained in this Agreement and the Attachments to the contrary, the Developer, for itself as well as any and all successors-in interest to the Site, hereby acknowledge and agree that City participation is predicated upon the development of the Site by the Developer and the continued operation of the Site and all portions thereof, remaining on the Los Angeles County Property Tax Rolls during the duration of the Redevelopment Plan, as it may be extended, or five years following the issuance of the Release of Construction Covenants by the City to the Developer pursuant to Section 324 of this Agreement, whichever is longer (the "Effective Period") , and that neither it nor any of its successors-in interest to the Site, or any portion thereof, shall remove or cause the removal of the Site or any portion thereof, from the Los Angeles County Property Tax Rolls during the Effective Period except in the event of a purchase of the Site or any portion thereof, pursuant to an eminent domain case filed against the Site. In the event of such removal in violation of this Section 708, the Developer, any and all successors-in interest to the Site (as applicable), shall be fully responsible for the payment of the "Additional Purchase Price" as set forth in the Grant Deed (Attachment No. 5) and Agreement Containing Covenants Affecting Real Property (Attachment No. 7).

I. [§ 709] Agreement Containing Covenants Affecting Real Property

The Developer hereby agrees to execute for recordation with the Los Angeles County Recorder's Office that certain Agreement Containing Covenants Affecting Real Property (the "Covenant Agreement") in the form attached hereto as Attachment No. 7 and establishing certain development standards and requirements for the Participating Parcel in accordance with the requirements of this Agreement. The Covenant Agreement is fully incorporated herein by this reference.

VIII. [§ 800] ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

This Agreement shall be executed in five duplicate originals each of which is deemed to be an original. This Agreement includes forty-four (44) pages and eight (8) attachments which constitute the entire understanding and agreement of the parties.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the Site.

None of the terms, covenants, agreements or conditions set forth in this Agreement shall be deemed to be merged with the grant deed conveying title to the Site and this Agreement shall continue in full force and effect with respect to the Site from the date on which this Agreement is executed by the City until a Release of Construction Covenants for the Site (or applicable portion thereof) as provided in Section 324 is recorded.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or the Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of the City and the Developer and/or any of the Developer's lenders for the Site.

This Agreement and any provisions hereof may be amended by mutual written agreement by Developer and the City and any such lender, and such amendment shall not require the consent of any other fee owner, tenant, lessee, easement holder, licensee, or any other person or entity having an interest in the Site.

IX. [§ 900] TIME FOR ACCEPTANCE OF AGREEMENT BY CITY; DATE OF AGREEMENT

This Agreement, when executed by the Developer and delivered to the City, must be authorized, executed and delivered by the City to the Developer within sixty (60) days after this Agreement is signed by the Developer, or this Agreement may be terminated by the Developer on written notice to the City. The effective date of this Agreement shall be the date it is signed by the City.

CITY OF INGLEWOOD
(City)

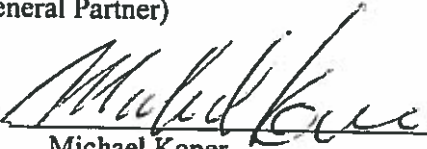
Dated: 1/31/2012

By: 
Mayor

K.P. AUTO CENTER, L.P.
a California Limited Partnership
(Developer)

By: Koper Car Corporation
a California corporation
(General Partner)

Date: 1/31/12

By: 
Michael Koper
President

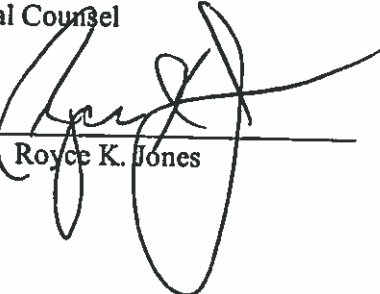
APPROVED AS TO FORM AND
LEGALITY ON THIS 31st
day of January, 2012.

CAL P. SAUNDERS
City Attorney

By: 
Cal P. Saunders

APPROVED:

KANE, BALLMER AND BERKMAN
Special Counsel

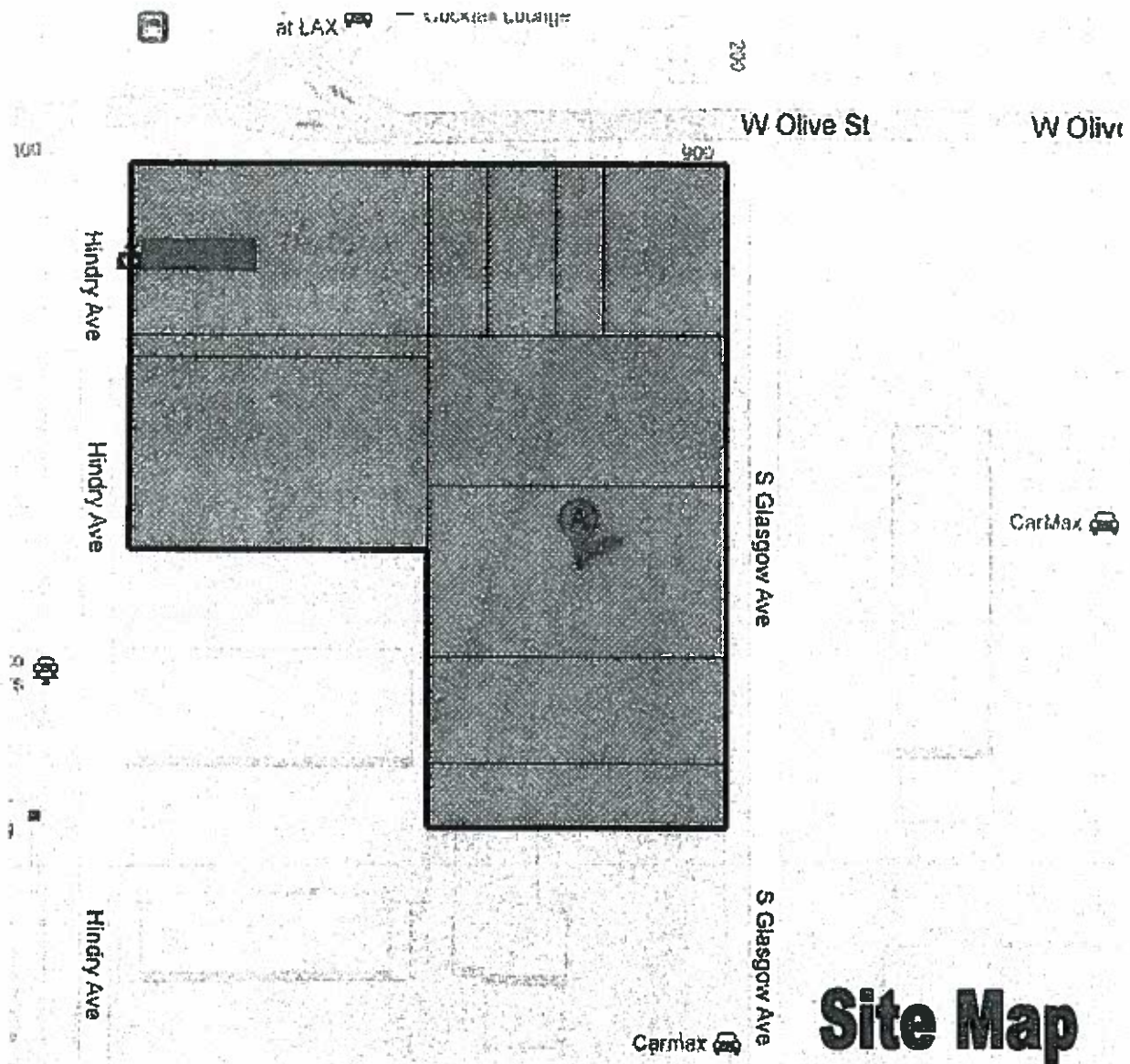
By: 
Royce K. Jones

ATTEST:

CITY CLERK

By: _____
Yvonne Horton

Attachment 1



Auto Mall Site

Establishment of a new automobile dealership comprised of new construction of a one-story 10,375 square-foot building and an existing new automobile dealership comprised of a one-story 20,400 square-foot building used as an automobile showroom and offices and a 15,197 one-story square-foot building used for automobile service and repair on an approximately 4.32 acre C-3 (Heavy Commercial) and M-1 (Light Manufacturing) site comprised of 11 parcels.

308 HINDRY AVE (APN 4126-008-005), No Address Available (APN 4126-008-006),
324 HINDRY AVE (APN 4126-008-007), 916 W OLIVE ST (APN 4126-008-901),
912 W OLIVE ST (APN 4126-008-902), 900 W OLIVE ST (APN 4126-008-904),
327 S GLASGOW AVE (APN 4126-008-905), 347 S GLASGOW AVE (APN 4126-008-906),
920 W OLIVE ST (APN 4126-008-907), 315 S GLASGOW AVE (APN 4126-008-908), and
343 S GLASGOW AVE (APN 4126-008-909)

Attachment 1A

LEGAL DESCRIPTION

Real property in the City of Inglewood, County of Los Angeles, State of California, described as follows:

PARCEL 1:

THE WEST 50 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-907

PARCEL 2:

THE EAST 50 FEET OF THE WEST 100 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-901

PARCEL 3:

THE EAST 41 FEET OF THE WEST 141 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-902

PARCEL 4:

LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE WEST 141 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-904

PARCEL 5:

LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE SOUTH 55 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-908

PARCEL 6:

THE NORTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF

EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 7:

THE SOUTH 55 FEET OF LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 8:

THE NORTH 55 FEET OF LOT 38 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-906

PARCEL 9:

THE SOUTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-909

ATTACHMENT NO. 2

METHOD OF FINANCING

I. DEVELOPER'S PURCHASE PRICE

A. Amount of Purchase Price

The Developer shall pay to the City a purchase price for the Sales Parcel in the amount of One Million Three Hundred Thousand Dollars (\$1,300,000) (the "Purchase Price").

B. Payment of Purchase Price for the Sales Parcel

The Purchase Price to be paid for by the Developer for the Sales Parcel shall be deposited into the escrow (Section 200 of the Agreement) within the time and in the manner required by the Schedule of Performance (Attachment No. 3), to be disbursed to the City upon the conveyance of title or possession of the Sales Parcel to the Developer.

II. EXCESS PURCHASE PRICE

Moreover, notwithstanding anything contained herein to the contrary, in the event that in violation of the Agreement, the Developer assigns the Agreement or any of the rights therein, or does sell, transfer, convey or assign any part of the Sales Parcel or the buildings or structures thereon prior to the issuance of the Release of Construction Covenants, the City shall be entitled to the "Excess Purchase Price" (as defined in Section 108 of the Agreement) and until paid, shall have a lien on the Site and any portion thereof, in the amount of the Excess Purchase Price. Any such lien shall be subordinate and subject to mortgages, deeds of trust or other security instruments executed for the sole purpose of obtaining funds to develop the Site (or portion thereof) as authorized in the Agreement.

III. ADDITIONAL PURCHASE PRICE

Moreover, notwithstanding anything contained herein to the contrary, the Developer acknowledges and agrees that the development and private ownership of the Site is essential to the effective redevelopment and financing of redevelopment activity within the Project Area. As such, the Developer hereby agrees on behalf of itself and any successors-in-interest of the Site, that upon the sale of the Site or any portion thereof, resulting in the removal of the Site or any portion thereof, from the Los Angeles County property tax roll, an "Additional Purchase Price" shall be fully due and payable to the City by the Developer or its successor-in-interest upon the close of escrow of such sale in accordance with Section 708 of the Agreement and Paragraph 4(b) of the Grant Deed (Attachment No. 5) and Paragraph 3(b) of the Agreement Containing Covenants Affecting Real Property (Attachment No. 7). Until paid in full, the City shall have a lien on the Site and/or the applicable portion thereof,

in the entire amount of the Additional Purchase Price. Any such lien shall be subordinate and subject to mortgages, deeds of trust or other security instruments executed for the sole purpose of obtaining funds to purchase and develop the Site (or portion thereof) as authorized in the Agreement.

III. PUBLIC FINANCING

The City shall have no responsibility (financial or otherwise) for construction and development of any of the improvements on the Site. Nor shall the City have any responsibility (financial or otherwise) for the installation of any public improvements required as part of the development of the Site. All such

IV. DEVELOPER'S GOOD FAITH DEPOSIT

The Developer shall deposit with the City within five (5) days following written notice from the City indicating that it has approved the Agreement, the sum of Fifty Thousand Dollars (\$50,000) as a good faith deposit (the "Deposit"). The Deposit shall be fully refundable to the Developer or, at the discretion of the Developer, applied towards the Basic Purchase Price of the Site upon the conveyance of the Site to the Developer by the City. However, notwithstanding anything contained herein and in the Agreement to the contrary, in the event the Agreement is terminated prior to the time for the conveyance of the Site to the Developer by the City as established in the Schedule of Performance, Attachment No. 3 of the Agreement, and the Developer is not in default of the Agreement at such time of the subject termination, then \$25,000 of the Deposit shall be retained by the City and applied towards various City costs (regardless of the actual amount of such costs) with the remaining \$25,000 returned or refunded to the Developer within forty-five (45) days following the termination date of the Agreement. Interest on the returned amount of the Deposit shall only be payable by the City to the extent and rate that interest was paid and received by the City on the Deposit.

In the event of a termination of the Agreement prior to the time for the conveyance of the Site to the Developer by the City as established in the Schedule of Performance, Attachment No. 3 of the Agreement, and the Developer is in default of the Agreement at the time of such termination, then the City shall be entitled to and shall retain the entire amount of the Deposit, and the City shall be entitled to pursue any and all additional remedies set forth in Section 500 et seq., of the Agreement. Notwithstanding the foregoing, in the event of an award of monetary damages to the City due to a Developer default, the entire amount of the Deposit shall be credited against such damages. However, under no circumstances shall any portion of the Deposit be returned to the Developer in the event of a Developer default.

In the event of a termination of the Agreement prior to the time established in the Schedule of Performance, Attachment No. 3 of the Agreement, for the conveyance of the Site to the Developer by the City, and the City is in default of the Agreement at the time of such termination, then the entire amount of the Deposit shall be returned or refunded to the Developer within forty-five (45) days following the termination date of the Agreement, and the Developer shall be entitled to pursue any and all additional remedies set forth in Section 500 et seq., of the Agreement.

The City shall be under no obligation to pay or earn interest on the Deposit. However, any interest accrued, earned or paid thereon shall be payable to the Developer along with the Deposit.

Both the City and the Developer acknowledge the following:

THAT MINIMUM DAMAGES MAY BE PAID TO THE CITY FROM THE DEPOSIT AS A RESULT OF THE FAILURE OF THE DEVELOPER TO PERFORM CERTAIN ACTS AND OBLIGATIONS REQUIRED OF IT UNDER THE AGREEMENT. THE CITY AND DEVELOPER ARE AWARE OF AND UNDERSTAND THE PROVISIONS OF CALIFORNIA CIVIL CODE ' ' 1671 AND 1676 PERTAINING TO LIQUIDATED DAMAGES, AND AGREE THAT PURSUANT TO CIVIL CODE '3389, THE DEVELOPER IS WILLING TO PAY SUCH DAMAGES SHOULD IT BE IN DEFAULT OF THE PROVISIONS OF THIS AGREEMENT. THEREFORE, THE CITY AND THE DEVELOPER MUTUALLY AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX ACTUAL MINIMUM DAMAGES TO THE CITY IN CASE OF SUCH FAILURES OF THE DEVELOPER, AND THAT THE AMOUNT SET FORTH HEREIN AS THE DEPOSIT IS A REASONABLE ESTIMATE OF THE TOTAL DAMAGES WHICH THE CITY WOULD SUFFER. THE RETENTION BY THE CITY OF ANY OF THE DEPOSIT AS DAMAGES SHALL, THEREFORE, BE THE CITY=S SOLE REMEDY AGAINST THE DEVELOPER UPON TERMINATION BY THE CITY AS SET FORTH ABOVE AND ANY OF THE DEVELOPER=S DEPOSIT RETAINED BY THE CITY SHALL THEREAFTER BE THE PROPERTY OF THE CITY WITHOUT ANY DEDUCTION, OFFSET, OR RECOUPMENT (OR ANY RIGHT THEREOF) WHATSOEVER.

City's Initials _____ Developer's Initials _____

Attachment No. 2A

Project Budget

Land Area	acres	square feet	Totals
	<u>2.70</u>	<u>117,612</u>	
<u>SITE WORK CONSTRUCTION COSTS</u>			
Site Grading	\$10,000	per acre	27,000
Site Utilities	\$37,000	per acre	100,000
Fill / Removal of non-compactable soil & fill with compactable			30,000
Site Paving	\$3.00	per sq ft	352,836
Lighting			150,000
Landscaping			90,000
Curbs, Gutters			80,000
Fencing			25,000
Signage			45,000
Offsite Development - Water / Sewer			60,000
Offsite Development - Storm Drainage			30,000
Offsite Development - Other		sidewalks	80,000
Contractor's Bond	--	1.50% of site work	16,048
Contractor's Overhead & Profit		15.00% of site work	160,475
Site Work Contingency		10.00% of site work	106,984
Subtotal			\$ 1,353,343
<u>BUILDING CONSTRUCTION COSTS</u>			
Building Construction	10,000	square feet @ \$125	1,250,000
Mechanical & Electrical & HVAC			125,000
Tenant Finish - Showrooms, Offices & Service		SF	90,000
Other Construction		SF	
Builders Risk insurance			
Landscaping		Included in the above	
Permanent signage			
Insurance			5,000
Temporary Signage			5,000
Contractor's Bond			0
General Conditions	1.50%		
Contractor Overhead & Profit			
Construction Contingency	15.00%		
Other Equipment	10.00%		
All Permits - Building, Electrical, Utility, etc			95,000
Subtotal			\$ 1,570,000
<u>DESIGN & ENGINEERING COSTS</u>			
Design			20,000
Landscape Design			6,000
Allow for Other Design & Engineering			5,000
Civil Engineering			25,000
Other - Design & Engineering - Mechanical & Electrical			12,000
Material Testing			2,000
Subtotal			\$ 70,000
<u>OTHER DEVELOPMENT COSTS</u>			
Blueprints & Copies			750
Progress Photos			250
Development Fee - Design & Soft Costs			55,000
Misc Operating Expenses			
Subtotal			\$ 56,000
TOTAL DEVELOPMENT COSTS (before land cost)			\$ 3,049,343

ATTACHMENT NO. 3

SCHEDULE OF PERFORMANCE

I. GENERAL PROVISIONS

- | | |
|--|---|
| 1. <u>Execution of Agreement by City.</u> City shall hold a public hearing on the Agreement, shall authorize execution and execute the Agreement and shall deliver the Agreement to Developer. | Within sixty (60) days after the Agreement is executed by Developer and submitted to City. |
| 2. <u>Submission - Architect, Landscape Architect and Civil Engineer.</u> Developer shall submit to City for approval of the names and qualifications of its Architect, Landscape Architect, and Civil Engineer. | Within sixty (60) days after the Agreement is executed by Developer and submitted to City. |
| 3. <u>Approval - Architect, Landscape Architect and Civil Engineer.</u> City shall approve or disapprove the Architect, Landscape Architect, and Civil Engineer. | Within thirty (30) days after receipt by the City. |
| 4. <u>Submission - Basic Concept Drawings.</u> Developer shall prepare and submit to City for approval the Basic Concept Drawings and related documents for the Site. | Prior to or concurrent with execution of the Agreement by the Developer. |
| 5. <u>Approval - Basic Concept Drawings.</u> City shall approve or disapprove Basic Concept Drawings and related documents for the Site. | Within thirty (30) days after receipt by the City. |
| 6. <u>Delivery of Good Faith Deposit.</u> Developer shall deliver to City its good faith deposit in the amount and form required by Section B. of the Method of Financing (Attachment No. 2). | Within five (5) days following written notice from the City that it has approved the Agreement. |
| 7. <u>Access for Soils Investigation.</u> City shall provide Developer with access to the Site for soils investigations pursuant to Section 212 of the Agreement. | Within five (5) days after written request from the Developer. |

8. Determination of Soil Conditions. Developer shall commence preliminary work to determine whether the soil conditions on the Site are suitable for the development thereon pursuant to Section 214 of the Agreement.

Within ninety (90) days after execution of the Agreement by City.

II. PREDEVELOPMENT ACTIVITIES

1. Submission - Preliminary Subdivision Map. Developer shall commence and diligently attempt to obtain approval from the City of the Preliminary Subdivision Maps with respect to the Site.

Within ninety (90) days after City execution of the Agreement.

III. CONVEYANCE AND CONSTRUCTION

1. Submission - Schematic/Design Development Drawings. Developer shall prepare and submit to City the Schematic/Design Development Drawings for the Site.

Within ninety (90) days after approval of the Basic Concept Drawings by the City.

2. Approval - Schematic/Design Drawings. City shall approve or disapprove the Schematic//Design Development Drawings for the Site.

Within thirty (30) business days after receipt by City.

3. Submission - Preliminary Construction Drawings, and Preliminary Landscaping and Grading Plans. Developer shall prepare and submit to City the Preliminary Construction Drawings and Preliminary Landscaping and Grading Plans for the Site.

Within sixty (60) days after City's approval of Schematic/Design Development Drawings for the Site.

4. Approval - Preliminary Construction Drawings, and Preliminary Landscaping and Grading Plans. City shall approve or disapprove the Preliminary Construction Drawings and Preliminary Landscaping and Grading Plans for the Site.

Within thirty (30) days after receipt by City.

5. Submission - 50% Final Construction Drawings and Landscaping and Finish Grading Plans. Developer shall prepare and submit to City 50% Final Construction Drawings and Landscaping and Finish Grading Plans for the Site.

Within forty-five (45) days after City approval of the Preliminary Construction Drawings.
6. Approval - 50% Final Construction Drawings and Landscaping and Finish Grading Plans. City shall approve or disapprove the 50% Final Construction Drawings and Landscaping and Finish Grading Plans for the Site.

Within thirty (30) days after receipt by City.
7. Submission - Final Construction Drawings and Landscaping and Finish Grading Plans. Developer shall prepare and submit the Final Construction Drawings and Specifications and the Final Landscaping and Finish Grading Plans for the Site.

Within sixty (60) days after City approval of the 50% Final Construction Drawings
8. Approval - Final Construction Drawings and Landscaping and Finish Grading Plans. City shall approve or disapprove the Final Construction Drawings and Specifications and the Final Landscaping and Finish Grading Plans for the Site.

Within thirty days after receipt by City, but in any event prior to conveyance of title or possession of the Sales Parcel.
9. Evidence of Financing. Developer shall submit to City Developer's first submission of evidence of financing referred to in Section 215 of the Agreement with respect to the Site.

At least sixty (60) days prior to the date established herein for the conveyance of title or possession of the Sales Parcel to Developer. Any additional submission shall be made within thirty (30) days following City written notice to Developer that an additional submission is required.

Developer shall submit to City Developer's second submission of evidence of financing referred to in Section 215 of the Agreement with respect to the Site.

At least fifteen (15) days prior to the date established herein for the conveyance of title or possession of the Site to Developer. Any additional submission shall be made within thirty (30) days following City written notice to Developer that an additional submission is required.

10. Approval of Financing. City shall approve or disapprove each submission of Developer's evidence of financing with respect to the Site, and shall so notify Developer.

With respect to the first submission, within ten (10) business days after receipt of such submission by City.

With respect to the second submission, within five (5) business days following receipt of the submission by the City, but in any event prior to the conveyance of title or possession of the Site to the Developer.

11. Opening of Escrow. City shall open an escrow for conveyance of the Sales Parcel.

At least thirty (30) days prior to the date established herein for conveyance of title or possession of the Sales Parcel to Developer.

12. Conveyance of Title. City shall convey title and/or possession to Developer, and Developer shall accept such conveyance, with respect to the Sales Parcel.

Within ten (10) business days after City issuance of a final grading permit and approval of the Final Construction Drawings by the City, whichever is later.

13. Commencement of Construction. Developer shall commence grading on the Site.

Within thirty (30) days after conveyance by the City of title and/or possession to Developer of the Sales Parcel and issuance of the necessary permits, but in no event longer than sixty (60) days following conveyance of title and possession of the Sales Parcel.

14. Commencement of Construction of Public Improvements.

Concurrently with the commencement of construction as set forth above.

- | | |
|---|---|
| 15. <u>Completion of Construction.</u> Developer shall complete construction of the improvements on the Site. | Within twenty-four (24) months after conveyance of title or possession of the Sales Parcel to Developer. |
| 16. <u>Tentative Subdivision Map.</u> To the extent required by the City, Developer shall commence and diligently attempt to obtain approval from the City of the Tentative Subdivision Map for the development of the Site. | On or before the conveyance of the Sales Parcel to the Developer by the City. |
| 17. <u>Final Subdivision Map.</u> To the extent required by the City, Developer shall commence and diligently attempt to obtain approval from the City of the Final Subdivision Map for the development of the Site, which shall be recorded. | Prior to the issuance by the City of a Certificate of Occupancy for any use to be operated upon the Site, or any portion thereof. |

ATTACHMENT NO. 4

SCOPE OF DEVELOPMENT

I. GENERAL DESCRIPTION

The "Site" is comprised of certain parcels of City-owned real property consisting of approximately 2.72 acres (the "Sales Parcel") and certain parcels of Developer-owned real property consisting of approximately 1.57 acres (the "Participating Parcel"), all of which located within the City of Inglewood. Both the Sales Parcel and the Participating Parcel are referred to herein as the "Site". The total size of the Site (or the combined size of the Sales Parcel and the Participating Parcel) is approximately 4.29 acres. The Site is currently zoned as C-3 and M-1 and shall be developed by the Developer as an automobile sales and retail center (the "Project"). The Project consists of the development and redevelopment of certain improvements on land area of approximately 186,872 square feet (or about 4.29 acres) which will include an automobile sales and retail center for the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square feet and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto (collectively, the "Improvements"). All of the Improvements to be constructed and developed on the Site by the Developer shall be of high architectural quality, well landscaped, and effectively and aesthetically designed. The shape, scale, exterior design, and exterior finish of the improvements to be developed on the Site must be consonant with, visually as well as physically related to, and an enhancement to the adjacent residential neighborhood.

The Developer's plans, drawings and proposals submitted to the City for approval shall describe in reasonable detail the architectural character intended for the improvements. The total development of the Site shall be in conformity with the Redevelopment Plan. The provisions, design criteria, and property development standards set forth in this Scope of Development apply to the Site, except where specifically indicated otherwise.

II. DEVELOPER IMPROVEMENTS

A. General

The Developer shall develop on the Site as an approximately 186,872 square feet (or about 4.29 acres) of automobile sales and retail center as more specifically described above. However, notwithstanding anything contained herein to the contrary, should the Developer, despite its diligent and good faith efforts, not be able to obtain the necessary entitlements from the City to construct the approximate amount of square footage contemplated herein, the Developer shall construct on the Site the maximum amount of square footage permitted by the City. The Improvements to be developed on the Site shall be of high architectural quality with landscaped areas effectively and aesthetically

designed. The Improvements shall also be developed in accordance with all applicable zoning and other land use regulations.

B. Site Improvements

The Developer shall be responsible for construction of all site improvements listed below to the specifications and acceptance of the City consistent with the approved Basic Concept Drawings. The Improvements shall include, but not be limited to:

1. Site

Landscaping and Irrigation system
Earthwork (Preliminary and Finish Grading)
Perimeter and interior fencing, if desired by the Developer

2. Sewer (On-Site) and Connections to the Sewer in the Public Right-of-Way

3. Water

On-site fire protection mains and domestic service including meters and connection thereof to water lines in the public right-of-way, as required by the City.

4. Private Storm Drain System (On-Site), if an additional system is required by the City of Inglewood.

5. Utilities

On-Site electric power, gas, telephone and other utility requirements of the development, and any extraordinary off-site utility requirements of the development.

All Improvements and related items shall be performed in accordance with all technical specifications, standards, and practices of the City of Inglewood along with all applicable building codes. The Developer's plans for such improvements shall be submitted to the City for review and approval (or disapproval) prior to advertising for bids.

C. Urban Design Standards, Controls and Restrictions

Standards, controls and restrictions regarding construction and development, including, but not limited to, maximum land coverage, setbacks and building construction shall be in accordance with applicable City Codes, as amended from time to time.

All on-site and off-site elements shall be subject to design review by the City in accordance with the procedures set forth in this Agreement. The Developer shall conform to the following standards of design in establishing the urban design concept, architectural and landscaping features for the Site.

The City's approval of the Final Construction Drawings and Landscaping and Finish Grading Plans shall be deemed to be an acknowledgment of compliance with the design standards and limitations contained in this Section C.

1. Architectural Standards

The architecture of all structures shall maintain a high quality of architectural design and establish visual continuity with existing and proposed developments within the Redevelopment Project area.

(a) Form and Scale

The structures on the Site shall combine a form and scale which are compatible with the adjoining land uses, and the street environment.

(b) Street Level Design

The facades as seen from the street shall be such that the shape, exterior design and exterior finish of the structures are consonant with and visually related to each other and compatible with any similar surrounding developments.

(c) Building Materials

Building materials of a high quality expressing the character of Inglewood's physical environment and climate shall be used in all buildings and structures developed on the Site. Other materials may also be considered, excluding corrugated aluminum and iron.

(d) Energy Considerations

Energy efficient features shall be incorporated into the design of the development including passive energy conservation methods. The Developer will be required to demonstrate consideration of energy features as a part of the design review process.

(e) Refuse Containers

Refuse containers shall be screened from public view with fencing and landscaping.

(f) Signs

All public signs on the exteriors of buildings and structures are of special concern to the City. All signs must be approved by the City and must comply with applicable City Codes.

(g) Outdoor Storage

No material, equipment, supplies or products shall be stored or permitted to remain outside on the Site unless prior written approval is obtained from the City. If any outdoor storage is allowed, it shall be screened from the public view with fencing and landscaping. Chain link fencing shall not be permitted as a screening material.

(h) Graffiti

The Developer shall design the development so as to discourage graffiti problems, and to establish a maintenance program for graffiti removal if the development is subjected to graffiti. All graffiti on the Site shall be removed by the Developer within two (2) business days after application.

2. Siting and Land Use Standards

(a) Structure Locations

The location of the structures shall relate to and take advantage of the developments surrounding the Site. Special attention shall be placed on designing the structures so as not to have a negative impact on the area in general.

(b) Structure Heights

The height of all structures developed on the Site shall be in accordance with applicable City Codes.

(c) Noise

All buildings and structures on the Site shall be located so as to minimize the noise impact on adjacent areas. Loading facilities and other similar activities shall be designed with this concern in mind.

3. Streetscape Design Standards

(a) Landscaping

Developer shall provide and maintain landscaping within public rights-of-way between the property line of each building lot and the curb line of adjacent streets. All landscaping shall be integrated with the existing landscaping for adjacent sites in the Project Area and consistent with the requirements of applicable City Codes. Landscaping includes such materials as paving, trees, shrubs, and other plant materials, landscape containers, top soil, soil preparation, automatic irrigation, and landscape and pedestrian lighting.

Landscaping shall carry out the objectives and principles of the City's desire to accomplish an aesthetically pleasing environment.

(b) Vehicle Access

Driveways and parking lots shall be coordinated with the design of pedestrian access. Truck parking and loading shall be limited to the Site.

(c) Pedestrian Access

The Site shall be developed such that pedestrian access is provided to the Site.

(d) Utilities

The Developer shall be responsible for all on-site utility installations and connections necessary or appropriate to develop the Site. Such utilities shall include but not be limited to the bringing of sanitary sewers, curb inlets, certain channel connections and headwall (not the responsibility of the City), sewer mains, water mains, manholes, sewer laterals, water laterals, gate valves, fire hydrants, electrical power, water supply, telephone, and gas facilities, all as required by

the City and for the development of the Site by the Developer. All utility services shall be underground or concealed within buildings to the extent permitted by appropriate utility companies and utility districts. No mechanical equipment or meters shall be left exposed in yard areas or on roofs.

(e) Views

All Improvements shall be sited to minimize the impact of the buildings and structures on the views of existing structures surrounding the Site. Special attention shall be placed on minimizing the impact on the adjacent area.

(f) Building Coverage

Minimum building setbacks shall be in conformance with applicable City Codes and Basic Concept Drawings approved by the City.

(g) Open Space

The Site shall satisfy all open space requirements of the City of Inglewood for standard auto center and retail-related developments.

(h) Rooftops

Exposed duct work for heating and cooling and all mechanical equipment and other roof structures on all buildings and structures on the Site whose roof area is visible from surrounding structures or proposed structures, pedestrian ways, streets, etc., shall be screened from the direct view of such surrounding structures in a manner approved by the City. Nothing contained in this paragraph or the Agreement shall be construed to require Developer to install any air conditioning units, evaporative coolers or other cooling equipment.

(i) Parking Location

Except as otherwise provided herein, all parking for the development shall be located within the boundaries of the Site.

(j) Lighting

Street, parking lot and pedestrian lighting shall be provided in accordance with standards established by the City. All lighting shall be shaded so as to minimize the impact upon the adjacent area.

(k) Handicap Access

Developer shall design and construct all of the Improvements on the Site in compliance with all laws with respect to ingress and egress access ways for handicapped persons, as required by applicable codes.

(l) Public Improvement Repair

The Developer shall make all street repairs caused by the development of the Improvements on the Site. All such repairs shall be at the Developer's expense and shall be constructed in accordance with the technical specifications, standards, and practices of the City.

(m) Construction

During construction of the Improvements on the Site, the Developer shall take all reasonable precautions to minimize dust and disturbance to adjacent properties caused by such construction. The Developer shall work normal working hours in accordance with applicable City codes and regulations.

D. Removal and/or Remedy of Soil and/or Water Contamination

Following the conveyance of the Site to the Developer by the City and subject to remediation obligations of the City, if any, as provided in Section 212 of the Agreement, the Developer shall (at its own cost and expense) remove and/or otherwise remedy as required by all applicable laws, implementing rules and regulations, and in a manner sufficiently to adequately protect the public health and safety (including the health and safety of occupants of the Site and adjacent properties), any and all contaminated or hazardous soil and/or water conditions on the Site. Such work shall include without limitation the following:

- a. Remove (and dispose of) and/or treat any contaminated soil and/or water on the Site (and adjacent public rights of way which the Developer is required to improve) as necessary to comply with applicable governmental standards and requirements.

- b. Design and construct all improvements on the Site in a manner which will assure protection of occupants and all improvements from any contamination, whether in vapor or other form, and/or from the direct and indirect effects thereof.
- c. Prepare a site safety plan and submit it to the appropriate governmental and other authorities for approval in connection with obtaining a building permit for the construction of improvements on the Site. Such site safety plan shall assure workers and other visitors to the Site of protection from any health and safety hazards during development and construction of the improvements. Such site safety plan shall include monitoring and appropriate protective action against vapors and/or the effect thereof.
- d. Obtain from the County of Los Angeles and/or California Regional Water Quality Control Board and/or any other authorities required by law any permits or other approvals required in connection with the removal and/or remedy of soil and/or water contamination, in connection with the development and construction on the Site.

The Developer agrees that the City, and its consultants and agents, shall have the right (but not the obligation) to enter upon the Site at any time to monitor the excavation and construction on the Site and each parcel thereof, to test the soils and/or water on the Site, and to take such other actions as may be reasonably necessary to assure compliance with this Section D of the Scope of Development (Attachment No. 4). Nothing herein (including without limitation the City's right to inspect) shall be construed to make the City or its officers, employees, contractors and agents liable for the responsibilities under Section 216 of the Disposition and Development Agreement (the "Agreement") and this Section D. However, notwithstanding the foregoing sentence, in no event shall the above sentence be construed by any of the parties to the Agreement so as to preclude the Developer from asserting any rights or claims it may have against any prior owner of the Site (other than the City) relative to the clean-up and/or remediation of any hazardous material on the Site pursuant to this Section D and Section 216 of the Agreement.

E. Equal Opportunity Program

a. Non-discrimination Clause

The Developer shall not discriminate against any employee or applicant for employment on any basis prohibited by law. The Developer shall provide equal opportunity in all employment practices. The Developer shall ensure

that their subcontractors comply with the City of Inglewood's "Equal Employment Opportunity Program" as set forth in the City of Inglewood Municipal Code.

b. Equal Employment Opportunity

The Developer has received, read, understands and agrees to be bound by the "Equal Employment Opportunity Program and all policies and procedures implementing the Program, contained in the Equal Employment Opportunity Packet provided by the City.

c. The Developer acknowledges receipt of the Employment and Training Requirements attached to the Agreement as Attachment No. 6.

III. DEVELOPER PUBLIC IMPROVEMENTS

The Developer shall be responsible for the financing and constructing of all of the on-site and off-site public improvements necessary for the development of the Improvements on the Site (the APublic Improvements@). The Public Improvements shall be constructed and developed in accordance with plans reviewed and approved by the City and the City, as appropriate.

IV. CITY OBLIGATIONS

The City shall have no obligation (financially or otherwise) with respect to the construction and development of the Improvements on the Site.

V. EASEMENTS

The City and the Developer shall grant and permit all necessary and appropriate easements and rights for the development of the Site including, but not limited to, easements and rights of vehicular access, pedestrian access and all utility services on such terms and conditions as City and Developer may agree.

VII. ENVIRONMENTAL REVIEW

The City shall be responsible for causing the preparation of all environmental review and documents necessary for the development of the Site. In addition, the City shall be responsible for certification of any environmental documents in connection with the approval of the development provided for herein. However, notwithstanding the foregoing, the Developer shall be responsible for the payment of all such environmental costs and shall also be responsible for preparing any and all supplemental environmental documents required to carry out the Agreement subsequent to the approval of the Final Map for the development of the Site. The Developer agrees to cooperate with

the City in the preparation of any such environmental and/or environmental-related documents and shall fully comply with all mitigation measures set forth therein.

EXHIBIT 1

SITE PLAN
[To be Added]

Attachment No. 4

ATTACHMENT NO. 5

Recording Requested by:

CITY OF INGLEWOOD

When Recorded Return to and
Mail Tax Statements to:

SPACE ABOVE THIS LINE FOR RECORDING USE

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged the CITY OF INGLEWOOD, the State of California, herein called "Grantor," acting to carry out the Redevelopment Plan for the Merged Inglewood Redevelopment Project Area (La Cienega Sub-area) (the "Project Area") herein called "Redevelopment Plan," under the Community Redevelopment Law of the State of California, hereby grants to K.P. AUTO CENTER, L.P., a California Limited Partnership, herein called "Grantee," the real property hereinafter referred to as the "Property," described in the document attached hereto, labeled Exhibit "A" and incorporated herein by this reference.

(1) Grantor excepts and reserves any existing street, proposed street, or portion of any street or proposed street lying outside the boundaries of the Property which might otherwise pass with a conveyance of the Property.

(2) Said Property is conveyed in accordance with and subject to the Redevelopment Plan for the Merged Inglewood Redevelopment Project which was approved and adopted on February 26, 2002 by Ordinance Nos. 02-07, 02-08, 02-09 and 02-10 of the City Council of the City of Inglewood, and the Disposition and Development Agreement (the "Agreement") entered into by and between Grantor and Grantee on _____, both of which documents are public records on file in the offices of the City Clerk of the City of Inglewood and the Secretary of Grantor, and are by reference thereto incorporated herein as though fully set forth herein.

(3) The Property is conveyed to Grantee at a purchase price herein called "Purchase Price," determined in accordance with the uses permitted. Therefore, Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that Grantee, such successors and such assigns, shall develop, maintain, and use the Property only as follows:

Koper-DDA-At5
1/8/12
Final

- (a) The Property shall be devoted only to the development permitted and the uses specified in the applicable provisions of the Redevelopment Plan and this Grant Deed, whichever document is more restrictive.
- (b) There shall be constructed upon the Property and the contiguous real property hereinbelow described in paragraph (3)(d), approximately 186,872 square feet (or about 4.29 acres) with an automobile sales and retail center including the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square feet and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto (the "Improvements"), all in accordance with plans and specifications prepared by the Grantee and approved by the Grantor.
- (c) During construction and thereafter, Grantee shall maintain the improvements on the Property and in the public rights-of-way (curb to property line) on all sides of the Property and shall keep the Property and such public rights-of-way free from any accumulation of debris or waste materials. During construction and thereafter, Grantee shall also maintain the required landscaping on the Property and in such public rights-of-way in a healthy condition.
- (d) The Property shall only be developed and used as specifically set forth herein and in conjunction with that certain contiguous real property presently owned by the Grantee in the City of Inglewood, County of Los Angeles, State of California legally described in the attached Exhibit "B". However, notwithstanding anything contained in this Grant Deed to the contrary, the development and use restrictions established by this Paragraph 3(d) shall remain in effect during the duration of the Redevelopment Plan, as it may be extended, or five years following the issuance by Grantor to Grantee of the Release of Construction Covenants provided for in Section 324 of the Agreement, whichever is sooner.
- (e) Grantee and all persons claiming under or through them, including without limitation tenants, lessees, subtenants, sublessees and any other operator of a business on the Property, or any portion thereof, shall comply with the Employment and Training Requirements (the "Job Training Program") which attached to the Agreement as Attachment No. 6 and fully incorporated herein by this reference.
- (f) Grantee shall not store any materials, equipment, supplies or products outside the buildings and structures developed on the Property unless prior written approval is obtained from the City. If any outdoor storage is approved, it shall be screened from the public view with fencing and landscaping. Chain link fencing shall not be permitted as a screening material.

The Property is also conveyed to Grantee by virtue of substantial public aids that have been made available by law for the specific purpose of redeveloping the Property (and the contiguous real property referred to in paragraph (3) (d) above), including without

limitation the use and/or pledge of expected receipts of ad valorem property tax revenues allocated to the City pursuant to Article XVI, Section 16 of the California Constitution and Health & Safety Code §§ 33670 et seq. Therefore, Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that Grantee, such successors and such assigns, shall not, during the effectiveness of the Redevelopment Plan, as it may be extended, or five years following the issuance of the Release of Construction Covenants by the Grantor to the Grantee pursuant to Section 324 of the Agreement, whichever is longer: (i) remove the Property or any portion thereof, from the Los Angeles County tax Roll; or (ii) contest the validity or the amount, in part or in full, whether by property tax assessment appeal or otherwise, of any property tax assessment imposed upon the Property (or any interest therein) by the Los Angeles County Assessor or other official responsible for such assessments, which is the basis for property taxes which it is obligated to pay in connection with its ownership of any interest in the Property, and which contest would result in a property tax assessment applicable to any parcel comprising the Property and/or the contiguous real property referred to in paragraph (3)(d) above.

(4) Prior to the recordation of a Release of Construction Covenants issued by Grantor for the improvements to be constructed on the Property or on any part thereof:

(a) Grantee shall not make any sale, transfer, conveyance or assignment of the Property or any part thereof, or the buildings or structures thereon, without the prior written approval of Grantor, except as expressly permitted by the Agreement. In the event that Grantee does sell, transfer, convey or assign any part of the Property or buildings or structures thereon, prior to the recordation of a Release of Construction Covenants, in violation of this Grant Deed, Grantor shall be entitled to increase the Purchase Price paid by Grantee for the Property by the amount that the consideration payable for such sale, transfer, conveyance or assignment is in excess of the Purchase Price paid by Grantee, and the cost of improvements and development theretofore made to the Property and the contiguous real property, including carrying charges and costs related thereto. The consideration payable for such sale, transfer, conveyance or assignment to the extent it is in excess of the amount so authorized shall belong and be paid to Grantor and until paid Grantor shall have a lien on the Property and any part involved for such amount. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, nor shall it prohibit granting any security interests permitted by paragraph (4) (b) of this Grant Deed for financing the acquisition and development of the Property. The lien created hereby shall be subordinate and subject to any such security interests.

(b) However, notwithstanding anything to the contrary, in the event that any such sale, transfer, conveyance or assignment of the Property or any part thereof or the buildings or structures thereon results in the removal of the Property or any portion thereof, from the Los Angeles County Property Tax Roll as set forth above in Paragraph 3 and more specifically described in Section 708 of the Agreement, the Grantee and/or its successors-in-interest shall pay the Additional Purchase Price to the Grantor with respect to either the Property or the applicable portion thereof, upon the close of escrow regarding such sale and in the amount set forth in Exhibit C which is attached hereto and fully incorporated herein by this reference. Until paid, the Grantor shall have a lien on the Property or the applicable portion

thereof, in the amount of the Additional Purchase Price. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, entry by Grantee into or exercise of its rights under spaces leased within improvements on the Property nor shall it prohibit granting any security interests permitted by paragraph 4(b) of this Grant Deed for financing the acquisition and development of the Property. The lien created hereby shall be subordinate and subject to any such security interests.

- (c) Grantee shall not place or suffer to be placed on the Property any lien or encumbrance other than mortgages, deeds of trust, conveyances and leases back or any other form of conveyance required for any reasonable method of financing of the acquisition of the Property and the contiguous real property referred to in paragraph (3)(d) above, the construction of improvements on the Property and the contiguous real property, and any other expenditures necessary and appropriate to develop the Property and the contiguous real property as permitted by the Agreement. Grantee shall notify Grantor in advance of any such conveyance for financing if Grantee proposes to enter into the same prior to recordation of a Release of Construction Covenants for the improvements to be constructed on the Property and the contiguous real property. Grantee shall not enter into any such conveyance for financing without prior written approval of Grantor, which approval Grantor agrees to give if any such conveyance is to a responsible financial or lending institution or other acceptable person or entity.

(5) Prior to the recordation of a Release of Construction Covenants issued by Grantor for the improvements to be constructed on the Property or on any part thereof:

- (a) Grantor shall have the right at its option to reenter and take possession of the Property hereby conveyed (or portion thereof) with all improvements thereon, and to terminate and rivets in Grantor the Property hereby conveyed (or portion thereof) to Grantee if Grantee (or its successors in interest) shall:
 - (i) Fail to commence construction of the improvements on the Property and/or the contiguous real property referred to in paragraph (3)(d) above, as required by the Schedule of Performance (Attachment No. 3) of the Agreement provided that Grantee shall not have obtained an extension or postponement from Grantor; or
 - (ii) Abandon or substantially suspend construction of the improvements on the Property and/or the contiguous real property referred to in paragraph (3) (d) above, for a continuous period of three (3) consecutive months after written notice of such abandonment or suspension from Grantor, provided that Grantee shall not have obtained an extension or postponement to which Grantee may be entitled pursuant to the Agreement; or
 - (iii) Assign or purport to assign the Agreement, or any rights therein, or transfer, or suffer any involuntary transfer of, the Property, or the contiguous real property referred to in paragraph (3)(d) above, or any part thereof, in violation of this Grant Deed, and such violation shall not be cured within thirty

(30) days after the date of the receipt of written notice thereof by Grantor to Grantee.

- (b) The right to reenter, repossess, terminate and revest, and the provisions below regarding the application of proceeds, shall be subject to and be limited by and shall not defeat, render invalid, or limit:
 - (i) Any mortgage or deed of trust or other security interest permitted by paragraph (4)(b) of this Grant Deed; or
 - (ii) Any rights or interests provided for the protection of the holders of such mortgages, deeds of trust, or other security interests.
- (c) The right to reenter, repossess, terminate and revest shall not apply to the Property, or portions thereof, for which a Release of Construction Covenant has been issued by Grantor and recorded,
- (d) Subject to the rights of holders of security interests as stated in this paragraph (5), in the event title to the Property or any part thereof is revested in Grantor as provided in this paragraph (5), Grantor shall, pursuant to its responsibilities under state law, use its diligent and good faith efforts to resell the Property or such part thereof as soon and in such manner as Grantor shall find feasible and consistent with the objectives of such law and of the Redevelopment Plan to a qualified party or parties (as determined by Grantor) who will assume the obligation of making or completing the improvements or such other improvements in their stead as shall be satisfactory to Grantor and in accordance with the uses specified for such Property or part thereof in the Redevelopment Plan. Upon such resale of the Property and satisfaction of obligations owed to the holder of any mortgage, deed of trust or other security interest authorized by the Agreement, the proceeds thereof shall be applied:
 - (i) First, to reimburse Grantor, on its own behalf or on behalf of the City of Inglewood for all substantiated costs and expenses incurred by Grantor, including but not limited to salaries to personnel engaged in such action, in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by Grantor from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges, if any and if applicable, with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by Grantor, then such taxes, assessments, or charges, as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of Grantee, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the agreed improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing to Grantor by Grantee and its successor or transferee; and

- (ii) Second, to reimburse Grantee, its successor or transferee, up to the amount equal to: the sum of (1) the Purchase Price paid to Grantor by Grantee for the Property (or allocable to the part thereof), and (2) the costs incurred for the development of the Property (or such part thereof) and for the improvements existing thereon at the time of reentry and repossession; less (3) any gain or income withdrawn or made by Grantee from the Property (or such part thereof) or from the improvements thereon. For purposes of this paragraph the term "cost incurred" shall include direct, out-of-pocket expenses of development, but shall exclude Grantee's general overhead expense.
 - (iii) Any balance remaining after such reimbursements shall be a retained by Grantor as its property.
- (e) To the extent that this right of reverter involves a forfeiture, it must be strictly interpreted against Grantor, the party for whose benefit it is created. This right is to be interpreted in light of the fact that Grantor hereby conveys the Property to Grantee for development and not for speculation in undeveloped land.
- (6) Grantee covenants and agrees for itself, its successors, its assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed,, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall Grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.
- (7) All deeds, leases or contracts made relative to the Property, improvements thereon, or any part thereof, shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:
 - (a) In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices' of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."
 - (b) In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation, of any person or group of persons, on account of sex, sexual orientation,

marital status, race, color, creed, - religion, national origin or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall lessee itself, or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

- (c) In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

(8) All conditions, covenants and restrictions contained in this Grant Deed shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit and in favor of, and enforceable by Grantor, its successors, and assigns, and the City of Inglewood and its successors and assigns, against Grantee, its successors and assigns, to or of the Property conveyed herein or any portion thereof or any interest therein, and any party in possession or occupancy of said Property or portion thereof.

(9) The conditions contained in Paragraphs (4)(a), 4(c) and (5) of this Grant Deed, and all rights and obligations under the Agreement referred to in Paragraph. (2) hereof, shall terminate and become null and void upon recordation of a Release of Construction Covenant issued by Grantor for the Property or the applicable portion thereof. Except as otherwise set forth, every covenant, condition and restriction contained in this Grant Deed shall remain in effect during the duration of the Redevelopment Plan, as it may be extended, or five years following the issuance of the Release of Construction Covenants by the Grantor to Grantee pursuant to Section 324 of the Agreement, whichever is longer, at which time they shall terminate and become null and void. The covenants against removing the Property from the Los Angeles Tax Roll or contesting any property tax assessments imposed upon the Property shall remain in effect for the period of time set forth in the second full paragraph of paragraph (3) of this Grant Deed during which time, property taxes are allocated under the Redevelopment Plan pursuant to Section 33670. The covenants against discrimination set forth in paragraphs (6) and (7) of this Grant Deed shall remain in perpetuity.

(10) In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that Grantor shall be deemed a beneficiary of the agreements and covenants provided hereinabove both for and in its own right and also for the purposes of protecting the interests of the community. All covenants without regard to technical classification or designation shall be binding for the benefit of Grantor, and such covenants shall run in favor of Grantor for the entire period during which such covenants shall be in force and effect, without regard to whether Grantor is or remains an owner of any land or interest therein to which such covenants relate. Grantor shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions at law or suit in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant.

(11) No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage or deed of trust or security interest permitted by paragraph (4) (b) of this Grant Deed; provided, however, that any subsequent owner of the Property shall be bound by such remaining covenants, conditions, restrictions, limitations, and provisions, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

(12) None of the terms, covenants, agreements or conditions heretofore agreed upon in writing in other instructions between the parties to this Grant Deed with respect to obligations to be performed, kept or observed by Grantee or Grantor in respect to said Property or any part thereof after this conveyance of said Property shall be deemed to be merged with this Grant Deed until such time as a Release of Construction Covenant issued by Grantor is recorded for the Property conveyed hereby or such part thereof.

(13) The covenants contained in this Grant Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, except for the covenant and condition contained in paragraph (5) of this Grant Deed.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers hereunto duly authorized this ____ day of _____, 2012.

Grantor:

CITY OF INGLEWOOD
(City)

By: _____
Mayor

GRANTEE ACCEPTANCE

The Grantee hereby accepts the written deed, subject to all of the matters hereinbefore set forth.

Grantee-Developer:

K.P. AUTO CENTER, L.P.,
a California Limited Partnership
(Developer)

By: Koper Car Corporation,
a California corporation
(General Partner)

By: _____
Michael Koper,
President

Exhibit A

LEGAL DESCRIPTION

Real property in the City of Inglewood, County of Los Angeles, State of California, described as follows:

PARCEL 1:

THE WEST 50 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-907

PARCEL 2:

THE EAST 50 FEET OF THE WEST 100 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-901

PARCEL 3:

THE EAST 41 FEET OF THE WEST 141 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-902

PARCEL 4:

LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE WEST 141 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-904

PARCEL 5:

LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE SOUTH 55 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-908

PARCEL 6:

THE NORTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF

EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 7:

THE SOUTH 55 FEET OF LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 8:

THE NORTH 55 FEET OF LOT 38 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-906

PARCEL 9:

THE SOUTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-909

Exhibit B

DESCRIPTION OF PROPERTY

PARCEL 1:

LOTS 4 AND 17 EXCEPT FROM SAID LOT 17 THE SOUTH 150 FEET THEREOF, OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 32 AND THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 32, IN TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF INGLEWOOD, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THE SOUTH 150 FEET OF LOT 17 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AND THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 32, IN TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF INGLEWOOD, AS PER MAP RECORDED IN BOOK 36 PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

COMMONLY KNOWN AS 308-324 HINDRY, INGLEWOOD, CA
APN: 4126-008-005, -006, and -007

Exhibit "C"

ADDITIONAL PURCHASE PRICE CALCULATION

<u>Year</u>	<u>Required Payoff</u>
1	\$134,619
2	\$134,831
3	\$134,898
4	\$134,809
5	\$134,552
6	\$134,111
7	\$133,474
8	\$132,624
9	\$131,547
10	\$130,224
11	\$128,638
12	\$126,768
13	\$124,595
14	\$122,095
15	\$119,246
16	\$116,024
17	\$112,400
18	\$108,346
19	\$103,834
20	\$98,830
21	\$93,302
22	\$87,212
23	\$80,524
24	\$73,195
25	\$65,184
26	\$56,444
27	\$46,927
28	\$36,581
29	\$25,350
30	\$13,177

ATTACHMENT NO. 6

EMPLOYMENT AND TRAINING REQUIREMENTS

In cooperation with the City of Inglewood Redevelopment Agency, Employment Development Department, Workforce Investment Act Program and other City agencies, the Developer shall aid in the creation and development of a specialized job recruitment and training program in order to provide employment opportunities to Inglewood residents. The program shall maximize the availability and accessibility of employment in connection with the construction of the improvements on the Property and their subsequent operation. It shall be the goal of the Developer to award at least 30% of the construction work to minority contractors (reflecting the makeup of the Inglewood Community) with at least 50% of the 30% being awarded to local qualified Inglewood businesses. Furthermore, it shall be the goal of the Developer to maximize employment opportunities for the residents of Inglewood by extending reasonable preferences to such residents for employment opportunities created by the development with the overall goal of employing qualified Inglewood residents in a minimum of 35% of the jobs created. Special emphasis shall be placed on the creation of a partnership between the Developer, tenants of the project, and the City of Inglewood as the principal resources to achieve the aforesaid goal.

The Developer shall initiate the following actions/activities:

- a) The development of an overall employment plan which will identify the types of jobs to be created and salary levels for the positions. The Developer shall develop specific contract language to be included in the contracts of prime, subcontractors and tenants requiring their active participation and cooperation in the attainment of the goals stated above. The Developer, with the assistance of the Redevelopment Agency and City Departments, shall develop recruitment materials which will enable it to solicit participation from local business in the development of this project;
- b) The Developer shall require all tenants of the development

to develop employment plans, which shall specifically address their employment needs and identifies the positions which will be targeted to attain the employment goals stated above. The Developer shall work closely with the State of California's Employment and Development Department and Workforce Investment Act Program, to develop training programs to meet the employment needs of the tenants and/or to recruit potential employees from available labor pools that meet the employment criteria established by the tenants;

- c) The Developer shall establish a timetable that projects when particular phases of the project will be completed and estimate when recruitment efforts for new jobs will be initiated;
- d) The Developer shall support the recruitment efforts in order to achieve the local hiring goals established in overall and tenant specific employment plans including all publicity efforts;
- e) The Developer shall participate in the ongoing local planning efforts of the State of California's Employment Development Department and Workforce Investment Act Program. This participation may take the form of membership in the South Bay Work Force Investment Board or other formal advisory bodies that assist in program design as seen fit by the Developer and the City.

The Redevelopment Agency/City shall initiate the following actions/activities:

- a) The Redevelopment Agency/City shall work the Developer to develop training and recruitment programs to provide a qualified pool of Inglewood applicants who shall be provided reasonable preferences for employment positions created in connection with this development;
- b) The Redevelopment Agency/City shall work with the Developer to develop training and recruitment materials which will be used to solicit participation on the part of the minority business community in the development of this project. The Redevelopment Agency/City shall work

with the needs identified by the tenants for the development to create a trained labor pool which exceeds, at a minimum, 10% of the required number of positions available for employment;

- c) The Redevelopment Agency/City shall provide its list of minority contractors to the Developer which, to the greatest extent possible, shall be used, in conjunction with other resources, to solicit qualified contractors to work on this project.
- d) The Redevelopment Agency/City, will, if necessary, conduct job fairs or other recruitment efforts, in conjunction with the Developer, to make sure that every conceivable effort is generated to attract the required qualified labor pool to assist in the attainment of the goals of this Agreement.

AUDIT AND COMPLIANCE

The Developer shall annually review its employment plan (i.e., Affirmative Action Plan) and make the necessary changes to improve its management and implementation. The City of Inglewood may perform unannounced visits to the site to verify information contained in the Developer's employment plan and to ensure that the requirements of the plan are being met. The Developer shall comply with the specific reporting requirements of the City of Inglewood. The audit and review system will include the following component:

- 1) The Developer will keep such records as are necessary to determine compliance with, and progress under the Affirmative Action Plan. These records will be designed to indicate (1) the number of minority subcontractors working on the development and (2) the progress being made in securing the services of minority group subcontractors.

ATTACHMENT NO. 7

Recording Requested by:

CITY OF INGLEWOOD

When Recorded Return to:

One Manchester Boulevard
Inglewood, California 90301
Attn: Redevelopment Manager

SPACE ABOVE THIS LINE FOR RECORDING USE

AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY

THIS AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY (the "Agreement") is entered into this _____ day of _____, 2012, by and between the CITY OF INGLEWOOD, (hereinafter referred to as "City") and K.P. AUTO CENTER, L.P., a California limited partnership (hereinafter referred to as "Developer") with reference to the following:

A. Developer is the present owner of that certain real property consisting of approximately 1.57 acres (the "Property") located in the City of Inglewood, County of Los Angeles, State of California and legally described in the Exhibit "A" attached hereto and fully incorporated herein by this reference.

B. The Property is also located within the Merged Inglewood Redevelopment Project area (the "Project Area") of the City of Inglewood and subject to the provisions of the Redevelopment Plan for the Project Area adopted by Ordinance Nos. 02-07, 02-08, 02-09, and 02-10 on February 26, 2002 by the City Council of the City of Inglewood.

C. This Agreement is entered into and recorded in accordance with the Redevelopment Plan and pursuant to the terms and provisions of that certain "Disposition and Development Agreement" entered into by and between City and Developer on _____, 2012 (the "DDA").

NOW, THEREFORE, CITY AND DEVELOPER AGREE AS FOLLOWS:

1. Developer hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that the Property shall be developed and used in accordance with the Redevelopment Plan and pursuant to the terms and provisions of the DDA.

Koper-DDA-At 7
1/8/12
Final

2. Developer hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that Developer, such successors and such assigns, shall develop, maintain, and use the Property only as follows:

- a. The Property shall be devoted only to the development permitted and the uses specified in the applicable provisions of the Redevelopment Plan and this Agreement to be Recorded Affecting Real Property, whichever document is more restrictive.
- b. There shall be constructed upon the Property and the contiguous real property hereinbelow described in paragraph 2.d., approximately 186,872 square feet (or about 4.29 acres) with an automobile sales and retail center including the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square feet and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto (the "Improvements"), all in accordance with plans and specifications prepared by the Developer and approved by the City and City of Inglewood.
- c. During construction and thereafter, Developer shall maintain the improvements on the Property and in the public rights-of-way (curb to property line) on all sides of the Property, and shall keep the Property and such public rights-of-way free from any accumulation of debris or waste materials. During construction and thereafter, Developer shall also maintain the required landscaping on the Property and in such public rights-of-way in a healthy condition.
- d. The Property shall only be used as herein provided in conjunction with that certain contiguous real property (the "Sales Parcel") conveyed to the Developer by the City pursuant to the terms of the DDA, located in the City of Inglewood, County of Los Angeles, State of California legally described in the attached Exhibit "B". However, notwithstanding anything contained in this Covenant Agreement to the contrary, the development and use restrictions established in this Paragraph 3(d) shall remain in effect throughout the duration of the Redevelopment Plan, as it may be amended or five (5) years following the issuance by the City of a Release of Construction Covenants provided for in Section 324 of the DDA, whichever is sooner. Both the Property and the Sales Parcel is sometimes collectively, referred to herein as the "Site."
- e. Grantee and all persons claiming under or through them, including without limitation tenants, lessees, subtenants, sublessees and any other operator of a business on the Property, or any portion thereof, shall comply with the Employment and Training Requirements (the "Job Training Program") which attached to the DDA as Attachment No. 6 and fully incorporated herein by this reference.
- f. Grantee shall not store any materials, equipment, supplies or products outside the buildings and structures developed on the Property unless

prior written approval is obtained from the City. If any outdoor storage is approved, it shall be screened from the public view with fencing and landscaping. Chain link fencing shall not be permitted as a screening material.

The Sales Parcel is conveyed to the Developer by virtue of and in accordance with the substantial public aids that have been made available by law for the purpose of redeveloping the Site including without limitation the use and/or pledge of expected receipts of ad valorem property tax revenues allocated to the City pursuant to Article XVI, Section 16 of the California Constitution and Health & Safety Code §§ 33670 et seq. (the "CRL") Therefore, Developer hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that Developer, such successors and such assigns, shall not during the effectiveness of the Redevelopment Plan, as it may be amended, or five (5) years following the issuance of the Release of Construction Covenants by the City to Developer pursuant to Section 324 of the DDA, whichever is sooner: (i) remove the Property or any portion thereof, from the Los Angeles County Tax Roll; or (ii) contest the validity or the amount, in part or in full, whether by property tax assessment appeal or otherwise, of any property tax assessment imposed upon the Property (or any interest therein) by the Los Angeles County Assessor or other official responsible for such assessments, which is the basis for property taxes which it is obligated to pay in connection with its ownership of any interest in the Property, and which contest would result in a property tax assessment applicable to any parcel comprising the Property and the contiguous real property referred to in paragraph 2.d. above.

3. Prior to the recordation of a Release of Construction Covenants issued by City for the improvements to be constructed on the Property or on any part thereof:

- a. Developer shall not make any sale, transfer, conveyance or assignment of the Property or any part thereof, or the buildings or structures thereon, without the prior written approval of the City, except as expressly permitted by the DDA. In the event that Developer does sell, transfer, convey or assign any part of the Property or buildings or structures thereon, prior to the recordation of a Release of Construction Covenants, in violation of the DDA or this Agreement. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, nor shall it prohibit granting any proposed and/or proposed lease agreements permitted by the DDA and/or security interests permitted by paragraph (3)(c) of this Agreement for financing the development of the Property.
- b. However, notwithstanding anything to the contrary, in the event that any such sale, transfer, conveyance or assignment of the Property or any part thereof or the buildings or structures thereon results in the removal of the Property or any portion thereof, from the Los Angeles County Property Tax Roll as set forth above in Paragraph 2 and more specifically described in Section 708 of the DDA and requires the payment of an Additional Purchase Price referred to in Paragraph (2)(d) above (sometimes referred to herein as the "Sales Parcel"), pursuant to the requirements of Section 708 of the DDA, the Developer and/or its successors-in-interest shall pay the Additional Purchase Price to the City with respect to either the Property or the applicable portion thereof, upon the close of escrow regarding such sale and in the amount set forth in Exhibit C which is attached hereto and fully incorporated herein by this reference. Until paid, the Grantor shall have a lien on the Property

or the applicable portion thereof, in the amount of the Additional Purchase Price. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, entry by Grantee into or exercise of its rights under spaces leased within improvements on the Property nor shall it prohibit granting any security interests permitted by paragraph 3(c) of this Agreement for financing the acquisition and/or development of the Property. The lien created hereby shall be subordinate and subject to any such security interests.

- c. Except as otherwise approved by the City, Developer shall not place or suffer to be placed on the Property any lien or encumbrance other than mortgages, deeds of trust, conveyances and leases back or any other form of conveyance required for any reasonable method of financing of the acquisition and/or development of the Property and the contiguous real property referred to in paragraph (3)(d) above, the construction of improvements on the Property and the contiguous real property, and any other expenditures necessary and appropriate to develop the Property and the contiguous real property as permitted by the DDA. Developer shall notify the City in advance of any such conveyance for financing if Developer proposes to enter into the same prior to recordation of a Release of Construction Covenants for the improvements to be constructed on the Property and the contiguous real property. Developer shall not enter into any such conveyance for financing without prior written approval of the City, which approval the City agrees to give if any such conveyance is to a responsible financial or lending institution or other acceptable person or entity.

4. Developer covenants and agrees for itself, its successors, its assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall Developer itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

5. All deeds, leases or contracts made relative to the Property, improvements thereon, or any part thereof, shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

- a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

- **Buildings Rehabilitation**
 - Low cost or forgivable loans
- **Development incentives**
 - Community design overlay/specific plan
 - Create a massing strategy
 - Streamline permitting process for Downtown
 - Master Program EIR
 - Adaptive reuse ordinance for Downtown
 - Reduce parking restrictions
 - Parking Utilization Analysis
 - Land write-down
- **Art and public improvements ordinance**

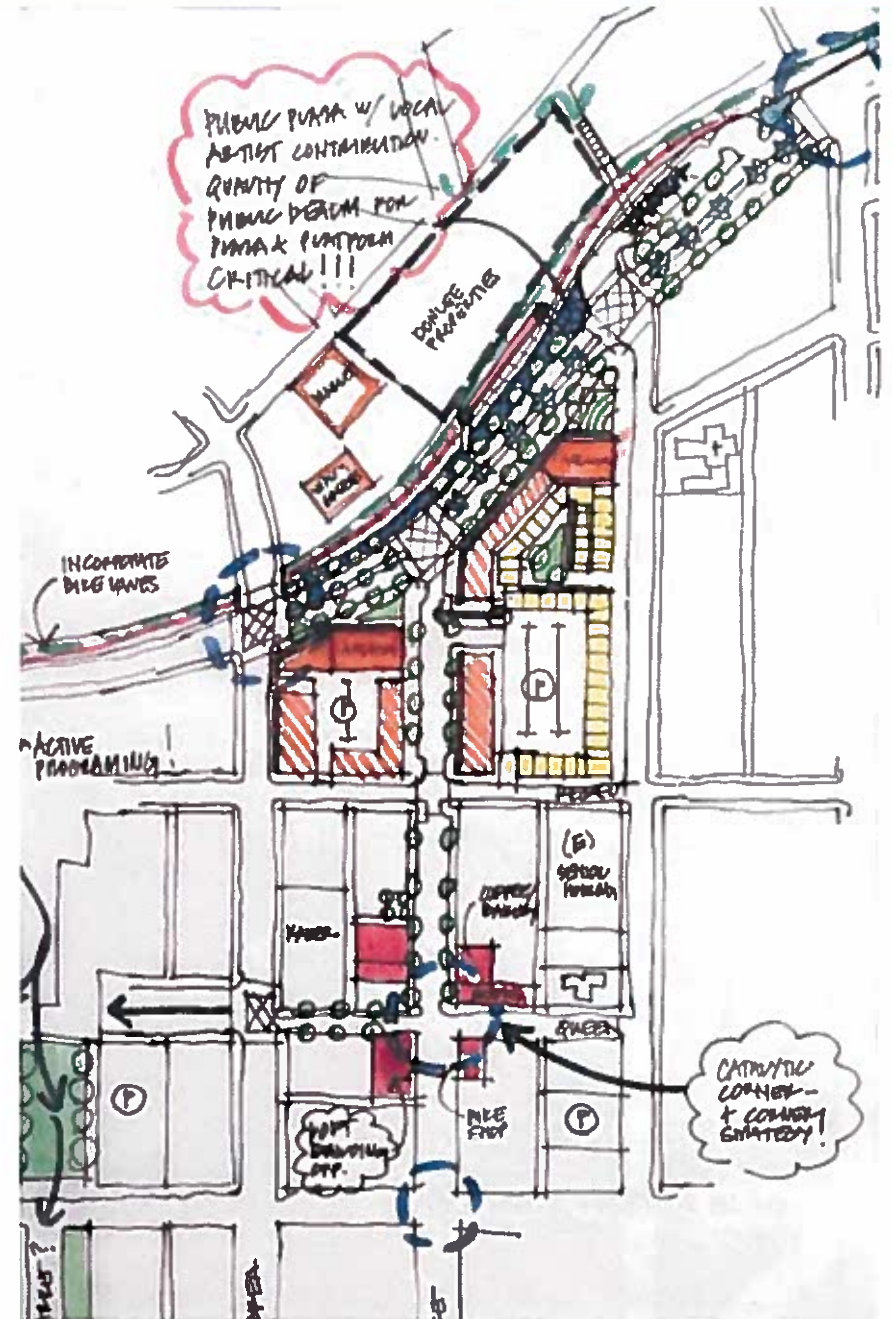
- **Target available grants**
 - Safety Grants Program
 - Community Development Block Grants (CDBG)
 - Metro Call for Projects
 - Caltrans Environmental Justice Grants
 - Healthy Communities Grant Program
 - TIGER Grants (Transportation Investment Generating Economic Recovery)
- **Redevelopment funding**
 - Leverage affordable housing funds
 - Demonstrate nexus between station and redevelopment areas
- **Create a Business Improvement District**
- **Create a Community Finance District**
- **Create a Parking District**

Public/Private Partnerships & Next Steps

*A project of this complexity and magnitude is
only viable through a strong public -
private partnership.*

Next steps

- 1) Station Design
- 2) Infrastructure (street and sidewalk improvements)
- 3) RFP for opportunistic sites



Thank You

- Mayor James T. Butts, City of Inglewood
- Councilman Ralph Franklin, City of Inglewood
- Mawusi Watson, Chief of Staff, City of Inglewood
- Sheldon Curry, Assistant City Manager for Development, City of Inglewood
- Margarita Cruz, Redevelopment Manager, City of Inglewood
- Linda Tatum, Planning Manager, City of Inglewood
- Keith Lockhard, Senior Transportation Planner, City of Inglewood
- Roderick Diaz, Project Manager, Metro
- Farooq Ameen, Hatch, Mott, MacDonald
- Michael Benbo, Resident
- Don Goodman, Owner/CEO, Donlee Farms

Appendix D

for

Long Range Property Management Plan City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

Disposition and Development Agreement
between
City of Inglewood and K.P. Auto Center L.P.

CITY'S ORIGINAL

12-024

MERGED INGLEWOOD REDEVELOPMENT PROJECT INGLEWOOD, CALIFORNIA

DISPOSITION AND DEVELOPMENT AGREEMENT

by and between

CITY OF INGLEWOOD,

City,

and

K.P. AUTO CENTER, L.P., a California Limited Partnership

Developer.

TABLE OF CONTENTS

Page

ATTACHMENTS

ATTACHMENT NO. 1	SITE MAP
ATTACHMENT NO. 1A	LEGAL DESCRIPTION
ATTACHMENT NO. 2	METHOD OF FINANCING
ATTACHMENT NO. 2A	PROJECT BUDGET
ATTACHMENT NO. 3	SCHEDULE OF PERFORMANCE
ATTACHMENT NO. 4	SCOPE OF DEVELOPMENT
ATTACHMENT NO. 5	GRANT DEED
ATTACHMENT NO. 6	EMPLOYMENT AND TRAINING AGREEMENT
ATTACHMENT NO. 7	AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY
ATTACHMENT NO. 8	RELEASE OF CONSTRUCTION COVENANTS

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (the "Agreement") is entered into by and between the CITY OF INGLEWOOD, a municipal corporation (the "City") and K.P. AUTO CENTER, L.P., a California Limited Partnership (the "Developer") with respect to the following:

RECITALS.

WHEREAS, the City and the Developer have previously entered into that certain Exclusive Negotiating Agreement dated April 14, 2009 with respect to the proposed disposition and development of certain City-owned real property by the Developer (the "ENA"); and

WHEREAS, the City, pursuant to that certain Cooperation Agreement by and between the Inglewood Redevelopment Agency (the "Agency") dated January 25, 2011, as amended by a First Amendment to Cooperation Agreement dated February 15, 2011 and a Second Amendment to Cooperation Agreement dated March 10, 2011 (collectively, the "Cooperation Agreement"), City has acquired and presently owns all real property previously owned by the City and agreed to undertake certain redevelopment activity on the behalf of the City; and

WHEREAS, pursuant to the terms of the ENA and the Cooperation Agreement, the City and the Developer now wish to enter into this Agreement for the disposition of that certain real property currently owned by the City to the Developer for development in accordance with the requirements of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises contained herein, the City and the Developer agree as follows:

I. [§ 100] SUBJECT OF AGREEMENT

A. [§ 101] Purpose of the Agreement

The purpose of this Agreement is to effectuate the Redevelopment Plan for the Merged Imperial-Prairie Redevelopment Project Area by providing for the sale of certain City-owned real property to the Developer, and its redevelopment by the Developer in conjunction with certain Developer-owned real property on land area of approximately 186,872 square feet (or about 4.29 acres) with an automobile sales and retail center including the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square feet and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto (the "Improvements"), all in accordance with City approved drawings and plans as set forth in this Agreement and more particularly reflected in the Schedule of Performance (Attachment No 3). The sale and redevelopment of the "Site" (as defined below) pursuant to this Agreement, and the fulfillment generally of this Agreement are in the vital and

best interest of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state, and local laws and requirements.

B. [§ 102] The Redevelopment Plan

This Agreement is subject to the provisions of the Redevelopment Plan for the Merged Inglewood Redevelopment Project Area (La Cienega Subarea), which was approved and adopted on February 26, 2002, by Ordinance Nos. 02-07, 02-08, 02-09 and 02-10 by the City Council of the City of Inglewood (the "Redevelopment Plan"). Said Ordinances and the Redevelopment Plan are incorporated herein by reference and made a part hereof as though set forth in full.

Any amendments hereinafter to the Redevelopment Plan (as so approved and adopted) which change the uses or development permitted on the Site as proposed in this Agreement, or otherwise change the restrictions or controls that apply to the Site or otherwise adversely affect the Developer's obligations or rights with respect to Site, shall require the written consent of the Developer which the Developer may withhold in its sole discretion. Amendments to the Redevelopment Plan applying to other property in the Merged Inglewood Redevelopment Project area (La Cienega) shall not require the consent of the Developer.

C. [§ 103] The Redevelopment Project Area

The Merged Inglewood Redevelopment Project Area (the "Redevelopment Project Area") is located in the City of Inglewood. The exact boundaries of the Redevelopment Project area are specifically and legally described in the Redevelopment Plan.

D. [§ 104] The Site

The "Site" is comprised of those certain parcels of City -owned real property consisting of approximately 2.72 acres (the "Sales Parcel") and those certain parcels of Developer-owned real property consisting of approximately 1.57 acres (the "Participating Parcel"). Both the Sales Parcel and the Participating Parcel are located within the City of Inglewood. The total size of the Site (i.e., the combined size of the Sales Parcel and the Participating Parcel) is approximately 4.29 acres. The Site is illustrated and designated on the "Site Map" which is incorporated herein and attached to this Agreement as Attachment No. 1. The Site is also more precisely described in the "Legal Description" which is incorporated herein and attached hereto as Attachment No. 1A. The Site is currently zoned as C-3 and M-1 and shall be developed by the Developer as an automobile mall, inclusive of certain ancillary auto parts and related retail uses, including, but not limited to, the construction of consisting of land area of approximately 186,872 square feet (or about 4.29 acres) with an automobile sales and retail center including the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square fee and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto.

Pursuant to the terms of this Agreement, the Sales Parcel will be conveyed to the Developer by a single conveyance by the City.

E. [§ 105] Parties to the Agreement

1. [§ 106] City

The City is a municipal corporation exercising governmental functions and powers pursuant to Chapter 2 of the Community Redevelopment Law of the State of California.

The address of the City for purposes of this Agreement is: City Hall, One Manchester Boulevard, Ninth Floor, Inglewood, California 90301, Attention: City Manager.

"City" as used in this Agreement, includes the City of Inglewood acting pursuant to the Cooperation Agreement and any public body that is an assignee of or successor to its rights, powers and responsibilities. However, notwithstanding the foregoing, any and all City action pursuant to this Agreement shall only be performed and constitute redevelopment activity in accordance with the authorization and rights established in the Cooperation Agreement. Moreover, Developer acknowledges that any financial obligation established by this Agreement shall only be satisfied by those certain redevelopment funds provided to and held by the City pursuant to the redevelopment activity authorized and set forth in the Cooperation Agreement and under no circumstances shall any such actions of the City taken pursuant to this Agreement constitute action of the City in its capacity as a municipal corporation nor constitute a City obligation for which its general fund and/or any other specific City revenue is pledged, committed or obligated.

2. [§ 107] Developer

The Developer is the K.P. Auto Center, L.P., a California limited partnership. The address of the Developer for purposes of this Agreement is 239 W. Manchester Boulevard, Suite 215, Inglewood, California 90301, Attention: Michael Koper, President.

Wherever the term "Developer" is used herein, such term shall include any permitted nominee, assignee or successor in interest as herein provided.

F. [§ 108] Prohibition against Change in Ownership Management and Control of Developer

The Developer represents and agrees that its purchase of the Site and its other undertakings pursuant to this Agreement are, and will be used, for the purpose of redevelopment of the Site and not for speculation in land holding. The Developer further recognizes that, in view of:

- (a) the importance of the redevelopment of the Site to the general welfare of the community;

- (b) the public aids that have been made available by law and by the government for the purpose of making such redevelopment possible; and
- (c) the fact that a change in ownership or control of the Developer or of a substantial part thereof, or any other act or transaction involving or resulting in a significant change in ownership or control of the Developer or the degree thereof, is for practical purposes a transfer or disposition of the property then owned by the Developer,

the qualifications and identity of the Developer, and its principals, are of particular concern to the community and the City. The Developer further recognizes that it is because of such qualifications and identity that the City is entering into the Agreement with the Developer. No voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein.

Prior to the issuance of a Release of Construction Covenants, the Developer shall not sell, transfer or convey any portion of the Site, or assign all or any part of this Agreement to a third party (a "Transferee") without the prior written approval of the City, which approval shall not be unreasonably withheld if, in the reasonable determination of the City, the proposed Transferee of any portion of the Site has the qualifications of a developer comparable in all material respects (including experience, character and financial capability) to the Developer. However, notwithstanding the foregoing, City consent shall not be required for any assignment of this Agreement primarily for estate tax purposes where the Developer is the majority/controlling/voting shareholder, general partner or managing member owning at least a fifty-one percent (51%) share or interest in the proposed Transferee. Moreover, the City hereby acknowledges and approves all existing leases on the Participating Parcels as well as any potential leases presently under negotiation by the Developer and certain third-party operators with respect to the Participating Parcel in which the City is aware.

In the event that, in violation of this Agreement, the Developer does assign this Agreement or any of the rights herein, or does sell, transfer, convey or assign any part of the Site or the buildings or structures thereon prior to the issuance of the Release of Construction Covenants, the City shall be entitled to an "Excess Purchase Price" payable by the Developer for the Sales Parcel in the amount that the consideration payable for such unauthorized sale, transfer, conveyance or assignment is attributable to the Sales Parcel and exceeds the amount of the Purchase Price paid by the Developer for the Sales Parcel to the City plus the cost of the Improvements developed on the Sales Parcel, including applicable carrying charges and costs related thereto. To the extent the Developer is required to pay an Excess Purchase Price to the City and such Excess Purchase Price has not been paid to the City, the City shall have a lien on the Site for the entire amount of the Excess Purchase Price. Any such lien shall be subordinate and subject to mortgages, deeds of trust or other security instruments executed for the sole purpose of obtaining funds to develop the Site (or applicable portion thereof) as authorized herein.

Except for assignments duly executed and deemed approved by the City as provided above, the Developer covenants and agrees for itself, and any of its successors in interest, that prior to issuance by the City of a Release of Construction Covenants and without the prior written approval of the City, there shall be no significant change in the ownership of the Developer, or in the relative proportions thereof, or with respect to the identity of the parties in control of the Developer, by any method or means.

The Developer shall promptly notify the City of any and all changes whatsoever in the identity of the parties in control of the Developer or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. This Agreement may be terminated by the City if there is any significant change (voluntary or involuntary except as the result of death or incapacity) in membership, management or control of the Developer in violation of this Agreement prior to the issuance of a Release of Construction Covenants for the Site.

Except as otherwise provided in this Agreement, in the absence of a specific written agreement by the City, no such sale, transfer, conveyance or assignment of this Agreement or the Site (or any portion thereof), or approval by the City of any such sale, transfer, conveyance or assignment, shall be deemed to relieve the Developer from any obligations under this Agreement.

The restrictions of this Section 108 shall terminate upon issuance by the City of a Release of Construction Covenants for the entire Site or any portion thereof, as applicable.

G. [§ 109] City Representations

The City represents, warrants and covenants to the Developer as follows:

(i) The City is a municipal corporation, duly organized and in existence in accordance with the laws of the State of California and is authorized and qualified to own the Sales Parcel. Further, the City: (x) has complete and full authority to execute this Agreement and to convey to the Developer good and marketable fee simple title to the Sales Parcel subject to the terms and conditions of this Agreement, (y) will execute and deliver such other documents, instruments, agreements, including (but not limited to) affidavits and certificates, as are necessary to effectuate the transaction contemplated herein, and (z) will take all such additional action necessary or appropriate to effect and facilitate the consummation of the sale and purchase transaction contemplated herein. Each of the persons executing this Agreement on behalf of the City further represents and warrants that the persons signing this Agreement on behalf of the City are duly qualified and appointed representatives of the City and have all requisite power and authority on behalf of the City to cause the City to enter into this Agreement as a valid, binding and enforceable obligation of the City.

(ii) To the best of the City's knowledge: (x) all assessments that are liens against the Sales Parcel are shown in the official records of the taxing authorities in

whose jurisdiction the Sales Parcel is located; (y) no improvements (site or area) have been constructed or installed by any public authority, the cost of which may be assessed in whole or in part against any part of the Sales Parcel in the future; and (z) with the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City has not been notified of any possible future improvements that might create an assessment against any part of the Sales Parcel.

(iii) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City has not received any notice of, and has no knowledge of, any pending or threatened taking or condemnation of the Sales Parcel or any portion thereof.

(iv) To the best of the City's knowledge, and with the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the Sales Parcel is free of any right of possession or claim of right of possession of any party other than the City, and there are no leases or occupancy agreements currently affecting any portion of the Sales Parcel. The City will not sell, encumber, convey, assign, pledge, lease or contract to sell, convey, assign, pledge, encumber or lease all or any part of the Site, nor restrict the use of all or any part of the Sales Parcel, nor take or cause or allow any action to be taken in conflict with this Agreement. The City additionally hereby represents and warrants that no rights of first refusal or similar agreements exist in connection with the Sales Parcel that would in any way interfere with or compromise the Developer's ability to purchase and develop the Sales Parcel in conjunction with the Participating Parcel as provided in the Agreement.

(v) The Sales Parcel has legal access to and from all street fronts and adjoining rights-of-way.

(vi) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, neither the entering into this Agreement nor the consummation of the sales and development transaction contemplated hereby will constitute or result in a violation or breach by the City of any judgment, order, writ, injunction or decree issued against or imposed upon it, or will result in a violation of any applicable law, order, rule or regulation of any governmental authority. With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, there is no action, suit, proceeding or investigation pending or threatened that creates a lien or that would become a cloud on the title to the Site or any portion thereof or that questions the validity or enforceability of the transaction contemplated by this Agreement or any action taken pursuant hereto in any court or before or by any Federal, district, county, or municipal department, commission, board, bureau, city or other governmental instrumentality.

(vii) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City has no knowledge of, nor has the City received any notice of, any actual or threatened action, litigation, or proceeding by

any organization, person, individual or governmental agency (including governmental actions under condemnation authority or proceedings similar thereto) against the Sales Parcel or the City nor has any such organization, person, individual or governmental agency communicated to the City anything that the City believes to be a threat of any such action, litigation or proceeding.

(viii) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City has received no notice of and has no knowledge of any violations of law, municipal or county ordinances, or other legal requirements with respect to the Sales Parcel or with respect to the use, occupancy or construction thereon.

(ix) No portion of the Sales Parcel is located within a one hundred (100) year flood plain.

(x) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the City is not aware of any pending or threatened rezoning of all or any part of the Sales Parcel, except for any rezoning efforts being conducted or to be conducted in connection with permitting of the Sales Parcel in connection with the Participating Parcel for development as contemplated by this Agreement.

H. [§ 110] Developer Representations

The Developer represents, warrants and covenants to the City as follows:

(i) The Developer is a limited liability company, duly organized and in existence in accordance with the laws of the State of California and is authorized and qualified to own the Site. Further, the Developer (x) has complete and full authority to execute this Agreement and to accept conveyance from the City and develop the Sales Parcel in conjunction with the Participating Parcel subject to the terms and conditions of this Agreement, (y) will execute and deliver such other documents, instruments, agreements, including (but not limited to) affidavits and certificates, as are necessary to effectuate the transaction contemplated herein, and (z) will take all such action necessary or appropriate to effect and facilitate the development of the Site as contemplated by this Agreement, subject to the Regional Water Quality Control Board remediation investigation of the Sales Parcel. The individuals/entities executing this Agreement on behalf of the Developer further represent and warrant that he/they/it is (are) signing this Agreement on behalf of the Developer and is duly qualified and an appointed representative of the Developer and has all requisite power and authority on behalf of the Developer to cause the Developer to enter into this Agreement as a valid, binding and enforceable obligation of the Developer.

(ii) Subject to the Regional Water Quality Control Board remediation investigation of the Sales Parcel, neither the entering into of this Agreement nor the

consummation of the transaction contemplated hereby will constitute or result in a violation or breach by the Developer of any judgment, order, writ, injunction or decree issued against or imposed upon it, or will result in a violation of any applicable law, order, rule or regulation of any governmental authority. There is no action, suit, proceeding or investigation pending or threatened that creates a lien or that would become a cloud on the title to the Participating Parcel or any portion thereof or that questions the validity or enforceability of the transaction contemplated by this Agreement or any action taken pursuant hereto in any court or before or by any Federal, district, county, or municipal department, commission, board, bureau, agency or other governmental instrumentality.

(iii) With the exception of the Regional Water Quality Control Board remediation investigation of the Sales Parcel, the Developer has no knowledge of, nor has the Developer received any notice of, any actual or threatened action, litigation, or proceeding by any organization, person, individual or governmental agency against it and/or the Participating Parcel that would preclude the Developer from acquiring the Sales Parcel and developing the Site pursuant to the terms and conditions of this Agreement.

(iv) To the best of the Developer's knowledge: (x) all assessments that are liens against the Participating Parcel are shown in the official records of the taxing authorities in whose jurisdiction the Site is located; (y) no improvements (site or area) have been constructed or installed by any public authority, the cost of which may be assessed in whole or in part against any part of the Participating Parcel in the future; and (z) the City has not been notified of any possible future improvements that might create an assessment against any part of the Participating Parcel.

(v) The Developer has not received any notice of, and has no knowledge of, any pending or threatened taking or condemnation of the Participating Parcel or any portion thereof.

(vi) To the best of the Developer's knowledge and except as previously presented by the Developer letter identifying same and approved by the City, the Participating Parcel is free of any right of possession or claim of right of possession of any party other than the Developer, and there are no leases or occupancy agreements currently in effect and/or affecting any portion of the Participating Parcel. Except as otherwise permitted by the City, the Developer will not sell, encumber, convey, assign, pledge, lease or contract to sell, convey, assign, pledge, encumber or lease all or any part of the Participating Parcel, nor restrict the use of all or any part of the Participating Parcel, nor take or cause or allow any action to be taken in conflict with this Agreement for a period of five (5) years following the issuance of the Release of Construction Covenants. The Developer additionally hereby represents and warrants that no rights of first refusal or similar agreements exist in connection with the Participating Parcel that would in any way interfere with or compromise the Developer's ability to develop the Participating Parcel in conjunction with the Sales Parcel as provided in the Agreement.

(vii) The Participating Parcel has legal access to and from all street fronts and adjoining rights-of-way.

(viii) The Developer has received no notice of and has no knowledge of any violations of law, municipal or county ordinances, or other legal requirements with respect to the Participating Parcel or with respect to the use, occupancy or construction thereon.

(ix) No portion of the Participating Parcel is located within a one hundred (100) year floodplain.

(x) The Developer is not aware of any pending or threatened rezoning of all or any part of the Participating, except for any rezoning efforts being conducted or to be conducted in connection with permitting of the Participating Parcel in connection with the Sales Parcel for development as contemplated by this Agreement.

II. [§ 200] DISPOSITION OF THE SALES PARCEL

A. [§ 201] Sale and Purchase

In accordance with and subject to all the terms, covenants, and conditions of this Agreement, the City agrees to sell to Developer and Developer agrees to purchase the Sales Parcel as shown on the Site Map (Attachment No.1) and more precisely described in that certain Legal Description attached hereto and made a part hereof as Attachment No. 1A. The Developer shall pay to the City as the total purchase price for the Sales Parcel, the Developer's Purchase Price as well as the Excess Purchase Price and Additional Purchase Price (to the extent applicable and warranted) in the accordance with the amounts and terms set forth in the Method of Financing, attached hereto as Attachment No. 2 and fully incorporated herein by this reference (the "Purchase Price"). The sale of the Sales Parcel shall be subject to satisfaction of all conditions precedent, as set forth in this Agreement and the Method of Financing.

B. [§ 202] Escrow

The City agrees to open an escrow for conveyance of the Sales Parcel in the County of Los Angeles with an escrow company or escrow agent acceptable to both the City and the Developer (the "Escrow Agent") as escrow agent, within the time provided in the Schedule of Performance attached hereto as Attachment No. 3 and incorporated herein by this reference. Sections 203-213 inclusive of this Agreement constitute the joint escrow instructions of the City and the Developer, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of the escrow. The City and the Developer shall provide such additional escrow instructions consistent with this Agreement as shall be necessary. The Escrow Agent hereby is empowered to act under such instructions, and upon indicating its acceptance thereof in writing, delivered to the City and to the Developer within five (5) days after opening of the escrow, the Escrow Agent shall carry out its duties as Escrow Agent hereunder.

The Sales Parcel shall be conveyed in a single conveyance for the construction and development of the improvements on the Site (i.e., the Sales Parcel and the Participating Parcel) provided for in this Agreement. Upon delivery of the Grant Deed for the Sales Parcel to the Escrow Agent by the City pursuant to Section 205 of this Agreement, the Escrow Agent shall record such Grant Deed in accordance with these escrow instructions, provided that the title to the Sales Parcel can be vested in the Developer in accordance with the terms and provisions of this Agreement. The Escrow Agent shall buy, affix, and cancel any transfer stamps required by law. The Escrow Agent shall also disclose and provide the Developer with all pertinent documentary transfer tax information and costs prior to the close of escrow. Any insurance policies governing the applicable Site are not to be transferred.

The Developer shall pay into escrow to the Escrow Agent all fees, charges and costs necessary for the acquisition and conveyance of the Sales Parcel to Developer chargeable to Developer hereunder, promptly after the Escrow Agent has notified Developer of the amount of such fees, charges and costs, but not earlier than ten (10) days prior to the scheduled date for the conveyance of the Sales Parcel. Such fees, charges and costs shall include, without limitation:

- (1) One half of the escrow fee;
- (2) All premiums for title insurance required by Developer in excess of a CLTA title insurance policy;
- (3) One half of the costs necessary to place the title to the Sales Parcel in the condition for conveyance required by the provisions of this Agreement;
- (4) Notary fees;
- (5) Ad valorem taxes, if any, upon the Sales Parcel or upon this Agreement or any rights hereunder, attributable to the period following the conveyance of title or possession; and
- (6) Any State, County or City documentary stamps or transfer tax.

The Developer shall also deposit the Purchase Price and/or proof of payment of the Purchase Price (less any deposit amount) with the Escrow Agent at the same time in accordance with the provisions of Section 207 of this Agreement.

With the exception of one half of the escrow fee and the costs attributed to the CLTA title insurance policy, the City shall not be required to pay any costs, fees or charges in connection with the acquisition and conveyance of the Sales Parcel. Unless otherwise specified in this Agreement, each party shall be responsible for the payment of its own legal fees.

The City shall timely and properly execute, acknowledge and deliver the Grant Deed conveying to Developer title to the Sales Parcel in accordance with the requirements of Section 205 of this Agreement, together with an estoppel certificate certifying that Developer has completed all acts (except deposit of the Purchase Price and/or proof of payment of the Purchase

Price) necessary to entitle Developer to such conveyance, if such be the fact. The City shall also timely and properly execute any and all other documents including a FIRPTA Certificate and a Form 590 RE to the extent necessary for conveyance of the Sales Parcel to the Developer.

Upon the closing of Escrow, the Escrow Agent is authorized to:

- (1) Pay, and charge Developer for any fees, charges and costs payable under this Section 202. Before such payments are made, the Escrow Agent shall notify the City and Developer of the fees, charges and costs necessary to clear title and close the escrow.
- (2) Disburse funds and deliver the Grant Deed and other documents to the parties entitled thereto when the conditions of this escrow have been fulfilled by the City and Developer. The Purchase Price shall not be disbursed by the Escrow Agent unless and until it has recorded the Grant Deed and has delivered to Developer a title insurance policy insuring title and conforming to the requirements of Section 208 of this Agreement.
- (3) Record any instruments delivered through this escrow if necessary or proper to vest title in Developer in accordance with the terms and provisions of the escrow instructions portion of this Agreement (Sections 200-212).

All funds received in the escrow shall be deposited by the Escrow Agent in a separate interest-earning escrow account with any state or national bank doing business in the State of California and reasonably approved by Developer and the City. All interest earned on the funds shall be payable or credited to the Developer with all interest adjustments made on the basis of a thirty (30) day month. Any payment of interest to the Developer shall be made by check by the Escrow Agent. The Developer shall also be fully responsible for any and all costs required to establish and/or maintain the separate interest-earning account.

If this escrow is not in condition to close on or before the time for conveyance established in Section 207 of this Agreement, either party who then shall have fully performed the acts to be performed before the conveyance of title may, in writing, demand the return of its money, papers, or documents from the Escrow Agent. No demand for return shall be recognized until ten (10) days after the Escrow Agent (or the party making such demand) shall have mailed copies of such demand to the other party or parties at the address of its principal place of business. Objections, if any, shall be raised by written notice to the Escrow Agent and to the other party within the ten- (10) day period, in which event the Escrow Agent is authorized to hold all money, papers, and documents with respect to the Site until instructed by a mutual agreement of the parties or, upon failure thereof, by a court of competent jurisdiction. If no such demands are made, the escrow shall be closed as soon as possible.

If objections are raised as above provided for, the Escrow Agent shall not be obligated to return any such money, papers, or documents except upon the written instructions of both the City and Developer, or until the party entitled thereto has been determined by a final decision of

a court of competent jurisdiction. If no such objections are made within said 10-day period the Escrow Agent shall immediately return the demanded money, papers, or documents.

Any amendment to the escrow instructions shall be in writing and signed by both the City and Developer. At the time of any amendment the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

All communications from the Escrow Agent to the City or Developer shall be directed to the addresses and in the manner established in Section 601 of this Agreement for notices, demands, and communications between the City and Developer.

The liability of the Escrow Agent under this Agreement is limited to performance of the obligations imposed upon it under Sections 202 to 212, inclusive, of this Agreement.

C. [§ 203] Conveyance of Title and Delivery of Possession

Subject to any mutually agreed upon extension of time, conveyance to the Developer of title to the Sales Parcel in accordance with the provisions of Section 209 of this Agreement shall be completed on or prior to the date specified in the Schedule of Performance (Attachment No. 3) or such later date mutually agreed to in writing by the City and the Developer and communicated in writing to the Escrow Agent.

Except as otherwise provided herein, exclusive possession of the Sales Parcel shall be delivered to the Developer by the City concurrently with the conveyance of title thereto. The Developer shall accept title and possession to the Sales Parcel on or before the date established therefor in this Section 207 and subject to the conditions of closing as set forth in this Agreement.

D. [§ 204] Form of Deed

The City shall convey to the Developer title to the Sales Parcel in the condition provided in Section 204 of this Agreement by a "Grant Deed" substantially in the form attached to this Agreement as Attachment No. 5 and by this reference is fully incorporated herein. The Grant Deed to the Sales Parcel shall contain those covenants necessary or desirable to carry out the terms and conditions of this Agreement.

E. [§ 205] Condition of Title

The City shall convey to the Developer fee simple merchantable title to the Sales Parcel free and clear of all liens, bonds, encumbrances, assessments, easements, leases and taxes; except those which are set forth in this Agreement and included in the Grant Deed, and those which are otherwise consistent with this Agreement and which are acceptable to the Developer; provided however that no covenants, conditions, restrictions or equitable servitudes shall prohibit or limit the development permitted by the Scope of Development (Attachment No. 4). Title to the Sales Parcel shall be subject to the exclusion therefrom of all oil, gas, hydrocarbon substances and minerals of every kind and character lying more than 500 feet below the surface, together with

the right to drill into, through, and to use and occupy all parts of the Sales Parcel lying more than 500 feet below the surface thereof for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances or minerals from the Sales Parcel, but without, however, any right to use or disturb either the surface of the Sales Parcel or any portion thereof within 500 feet of the surface for any purpose or purposes whatsoever.

All references to conveyance of title to the Sales Parcel in this Agreement shall also mean delivery of possession as referred to in this Section as the context may require.

However, notwithstanding anything in this Agreement to the contrary, the Developer hereby acknowledges that the Sales Parcel is subject to the performance of certain remediation activity and testing promulgated and conducted thereon by the Regional Water Quality Control Board, and despite such remediation activity and testing, elects to close escrow and acquire fee title to the Sales Parcel.

F. [§ 206] Time and Place for Delivery of Deed

Subject to any mutually agreed upon extension of time, the City shall deposit the Grant Deed for the Sales Parcel with the Escrow Agent on or before the date established for the conveyance of the Sales Parcel in the Schedule of Performance (Attachment No. 3).

G. [§ 207] Payment of the Purchase Price and Recordation of the Deed

The Developer shall promptly deposit the Purchase Price and/or proof of payment of the Purchase Price for the Sales Parcel with the Escrow Agent upon or prior to the scheduled date for conveyance thereof, provided that the Escrow Agent shall have notified the Developer in writing that the Grant Deed conveying the Sales Parcel to the Developer, properly executed and acknowledged by the City, has been delivered to the Escrow Agent and that title or possession is in condition to be conveyed in conformity with the provisions of Section 209 of this Agreement. The Escrow Agent shall deliver the Purchase Price to the City immediately following the delivery to the Developer of a title insurance policy insuring title in conformity with Section 208 of this Agreement and the filing of the Grant Deed for recordation among the land records in the Office of the County Recorder for Los Angeles County.

H. [§ 208] Title Insurance

Concurrently with recordation of the Grant Deed, First American Title Insurance Company or another title insurance company satisfactory to the City and the Developer ("Title Co.") shall provide and deliver to the Developer a 1970 Form B ALTA extended coverage owner's title insurance policy issued by Title Co. insuring that the title is vested in the Developer in the condition required by Section 205 of this Agreement, and any special endorsements which the Developer reasonably requests. The Title Co. shall provide the insurance policy and the title insurance policy shall be in the amount of the Purchase Price of the Sales Parcel or in such greater amount as the Developer may specify as hereinafter provided.

Concurrently with the issuance of the title policy for the Site, the Title Co. shall, if requested by the Developer, provide the Developer with an endorsement to insure the amount of the Developer's estimated construction costs of the improvements to be constructed on the Site and any lender's interest in the Site.

The Developer shall pay for all premiums attributable to any extended coverage or special endorsements which it requests above and beyond a CLTA title insurance policy.

I. [§ 209] Taxes and Assessments

Ad valorem taxes and assessments, if any, on the Sales Parcel, and taxes upon this Agreement or any rights hereunder, levied, assessed or imposed for any period, commencing prior to conveyance of title or possession of the Sales Parcel to the Developer, shall be borne by the City. Ad valorem taxes and assessments, if any, on the Sales Parcel, and taxes upon this Agreement or any rights hereunder, levied, assessed or imposed for any period, commencing after conveyance of title or possession of the Sales Parcel to the Developer, shall be borne by the Developer.

Ad valorem taxes and assessments, if any, on the Participating Parcel, and taxes upon this Agreement or any rights hereunder, levied, assessed or imposed for any period, commencing both prior and subsequent to conveyance of title or possession of the Sales Parcel to the Developer, shall be borne by the Developer.

J. [§ 210] Occupants of the Sales Parcel

City agrees that title to the Sales Parcel shall be conveyed free of any possession or right of possession except those title exceptions approved by the Developer and expressly provided in this Agreement.

K. [§ 211] Zoning of the Site

Prior to the conveyance of the Sales Parcel, the Developer shall take such actions as are necessary to procure the appropriate zoning and subdivision map of the Site, and obtain the requisite City land use regulations and designations so as to permit the development of the Site and construction of the improvements thereon and the use, operation and maintenance of the improvements in accordance with the provisions of this Agreement (the "Entitlements"). The City shall provide all proper and reasonable assistance to the Developer in connection therewith, and shall use its good faith and best efforts in cooperating with and facilitating Developer's efforts to obtain all of the necessary Entitlements and/or any other discretionary permits required for the development of the Site.

L. [§ 212] Condition of the Sales Parcel

The Sales Parcel, and each portion thereof, shall be conveyed in an "as is" condition, with no warranty, express or implied by the City as to the condition of the soil, water, or presence of "Hazardous Substances" (as defined herein) its geology, or the presence of known or unknown

contaminants. In this regard, the City, at the request of the Developer, shall make available to the Developer all documents within its possession pertinent to the condition of the Site. Except as otherwise and specifically provided for in this Agreement, it shall be the sole responsibility of the Developer, at the Developer's expense, to investigate and determine the soil and water conditions of the Site (i.e., the Sales Parcel and Participating Parcel) and the suitability of the Site for the development to be constructed on the Site by the Developer. However, notwithstanding the foregoing, the City shall be responsible for the remediation of all Hazardous Substances on the Sales Parcel identified by the Developer on the Sales Parcel subject to the following limitations: (a) all such Hazardous Substances identified by the Developer is communicated in writing to the City within five (5) years following the execution of this Agreement by the City; (b) none of the identified Hazardous Substances on the Sales Parcel is the result of any action taken by Developer and/or any of its contractors, consultants, employees, agents, successors, assigns, etc., whether acting on behalf of the Developer or not; and (c) the total cost to the City of remediating all identified Hazardous Substances shall not exceed the amount of One Million Three Hundred Thousand Dollars (\$1,300,000) (the "Remediation Costs"). Subject to the remediation obligation, if any established in this paragraph, the City agrees to indemnify, defend (with legal counsel of City's choice) and hold the Developer harmless from any costs, claims, damages, or liability arising from such obligation. However, notwithstanding the foregoing, the City shall not be responsible for (and such indemnity shall not apply to) acts of negligence or misconduct on the part of the Developer, its officers, employees, contractors, agents, tenants, consultants, assignees and/or successors-in-interest. All such indemnity costs required of the City, if any, shall be subject to and included in the Remediation Costs. The indemnity provision of this paragraph shall survive termination of this Agreement; provided the following: (a) the City has issued the Release of Construction Covenants to the Developer pursuant to Section 324 of this Agreement; and (b) the Developer has timely identified and notified the City of the presence of Hazardous Substances on the Sales Parcel as set forth in this paragraph.

Any and all costs attributable to the remediation of Hazardous Substances on the Sales Parcel by the City pursuant to this paragraph in excess of the Remediation Costs shall be the sole responsibility of the Developer.

Moreover, the City shall be fully responsible for satisfying the remediation requirements of the Regional Water Quality Control Board relating to the Sales Parcel (the "RWQCB Remediation"). All such costs for the RWQCB Remediation shall be the sole responsibility of the City.

With the exception of the remediation activities arising from the RWQCB Remediation and the Remediation Costs (to the extent applicable), and consistent with the requirements of Section 309 of this Agreement, Developer shall defend, indemnify and hold City and Inglewood Redevelopment Agency and their respective officers, members, employees, contractors, consultants, agents and successors harmless from any costs, claims, damages or liabilities pertaining to or arising from the performance of any tests and inspections of the Site, or any portion thereof. Any damage or injury to any of the parcels comprising the Sales Parcel or any

improvement thereon resulting from any such test or inspection shall be promptly repaired or restored by Developer at its sole expense.

For purposes of this Agreement, "Hazardous Substances" means: (a) those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in CERCLA or RCRA; (b) those substances defined as "hazardous wastes" in ' 25117 of the California Health & Safety Code, or as "hazardous substances" in ' 25316 of the California Health & Safety Code, and in the regulations promulgated pursuant to said laws; (c) those substances listed in the United States Department of Transportation Table (49 C.F.R. 172.101 and amendments thereto) or by the Environmental Protection City (or any successor agency) as hazardous substances (40 C.F.R. part 302 and amendments thereto); (d) any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a "hazardous substance" pursuant to ' 311 of the Clean Water Act, 33 U.S.C. 1251 et seq. (33 U.S.C. 1321) or listed pursuant to ' 311 of the Clean Water Act (33 U.S.C. 1317), (v) flammable explosives, or (vi) radioactive materials; and (e) such other substances, materials and wastes which are or become classified as hazardous or toxic under any of the Environmental Laws or any other applicable local, state or federal law, or otherwise are or become regulated under any Environmental Law(s).

M. [§ 213] Relationship of City and Developer

Nothing contained in this Agreement or in any other document or instrument made in connection with this Agreement shall be deemed or construed to create a partnership, tenancy in common, joint tenancy, joint venture or co ownership by or between the City and the Developer.

O. [§ 214] Preliminary Work by the Developer

Prior to the conveyance of title to the Sales Parcel, representatives of the Developer shall have the right of access to and entry upon the Sales Parcel at all reasonable times, for the purpose of obtaining data and making surveys and tests necessary to carry out this Agreement. The Developer agrees to defend, indemnify and hold the City, and their officers, employees, contractors and agents, harmless for any and all claims, liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising out of any work or activity of the Developer, its officers, employees, contractors and agents, permitted pursuant to this Section 214, which indemnity shall not apply any negligence or willful misconduct by the City, its staff, agents or contractors. The City agrees to provide, or cause to be provided, to the Developer all data and information pertaining to the Sales Parcel and in its possession within five (5) business days following receipt of written request from the Developer requesting such data and information.

P. [§ 215] Submission of Evidence of Financing

Within the times established respectively therefore in the Schedule of Performance (Attachment No. 3), the Developer shall submit to the City evidence reasonably satisfactory to the City that the Developer has obtained firm and binding commitments for financing necessary

for the acquisition of the Sales Parcel and development of the Site in accordance with this Agreement.

The Developer's first submission of such evidence of financing shall include:

1. A project budget, current as of the close of escrow for the conveyance of the Sales Parcel, setting forth all development costs for the Site (the "Development Costs"), or a certification by the Developer that the Project Budget attached to this Agreement as Attachment No. 2A remains accurate;
2. A copy of the commitment or commitments obtained by the Developer for any mortgage loan or loans or other financing for construction financing to finance the entire cost of acquisition of the Sales Parcel and construction of the improvements on the Site or the applicable portion thereof in the event of a phasing of the construction of the improvements on the Site (as defined in the Scope of Development), certified by the Developer to be a true and correct copy or copies thereof. The commitment or commitments for financing shall be in such form and content acceptable to the City as reasonably evidences a commitment normally issued by an institutional lender.
3. Documentary evidence reasonably satisfactory to the City of sources of equity capital sufficient to demonstrate that the Developer has adequate funds committed to cover the difference, if any, between the Development Cost less financing authorized by mortgage loans for the development of the Site.
4. A schedule of all tenants obtained to date to occupy space within the Site, together with the amount of space, lease term, and minimum and performance rent and tenant improvement allowance applicable thereto, and copies of such tenant leases (to be provided to City Special Counsel for confidential review) if requested by the City, certified to be true and correct copies thereof.

The Developer's second submission of such evidence of financing shall include:

1. A copy of the contract between the Developer and the general contractor or contractors for the construction of the improvements on the Site or the applicable portion thereof in the event of a phasing of the construction of the improvements on the Site, certified by the Developer to be a true and correct copy thereof.
2. Copies of any construction loan documents, including but not limited to any loan agreement, note and trust deed, as well as equity commitment documents, pertaining to the development of the Site in final form to be closed through the escrow provided for in Section 202, together with evidence that any such documents have been submitted to escrow and that there are no outstanding conditions, except as required by this Agreement to be satisfied concurrently with closing of any mortgage loan and/or other financing for the development of the

Site, which would preclude closing and initial funding of such construction loan or loans and equity provided to and/or by the Developer.

The City shall approve or disapprove each such submission of evidence of financing within the times established in the Schedule of Performance. Such approval shall not be unreasonably withheld. If the City shall disapprove any such evidence of financing, the City shall do so by written notice to the Developer stating the reasons for such disapproval. The Developer shall promptly, but in any event prior to the dates respectively required for submission of evidence of financing in the Schedule of Performance, obtain and submit to the City new evidence of financing. The City shall approve or disapprove such new evidence of financing in the same manner and within the same times established in this Section 215 for the approval or disapproval of the evidence of financing as initially submitted to the City..

Q. [§ 216] CEQA Requirements

Certain environmental documents necessary for the development of the Site by the Developer have been prepared and certified by the City for the Merged Inglewood Redevelopment Project in compliance with the requirements of the California Environmental Quality Act of 1970, as amended from time to time (California Public Resources Code, Section 2100 et seq., hereinafter referred to as "CEQA") and all applicable State regulations and local ordinances and regulations enacted pursuant thereto. Any further environmental clearance and/or documentation required for the development of the Site as contemplated by this Agreement shall be the sole responsibility of the Developer.

III. [§300] DEVELOPMENT OF THE SITE

A. [§301] Responsibilities for Development of the Site

The Developer shall be responsible for the development on the Site in accordance with the requirements of this Agreement.

B. [§ 302] Scope of Development

The Site shall be developed in accordance with and within the limitations established in the "Scope of Development" which is incorporated herein and attached to this Agreement as Attachment No. 4.

C. [§ 303] Basic Concept Drawings

The Developer shall prepare and submit Basic Concept Drawings and related documents for the development of the Site to the City for review and approval within the time established in the Schedule of Performance. Basic Concept Drawings and related documents shall include a site plan, floor plans, elevations, cross section drawings illustrating the relationship of the buildings to any adjacent residential area, and a landscape plan of the Improvements as they are to be developed and constructed on the Site. These drawings shall, unless both parties agree otherwise,

conform to the requirements of any applicable community plan, development standards established in the Scope of Development (Attachment No. 4) and the City Zoning Code.

The Site, and related off-site improvements, shall be developed as established in the Basic Concept Drawings and related documents except as changes may be mutually agreed upon between the Developer and the City. Any such changes shall be within the limitations of the Scope of Development.

D. [§ 304] Landscaping and Finish Grading Plans

The Developer shall prepare and submit to the City for its approval preliminary and final landscaping and preliminary and finish grading plans for the Site. The plans shall conform to the requirements of the City of Inglewood and the development standards established in the Scope of Development (Attachment No. 4) by the City and the City Zoning Code. All plans shall be prepared and submitted within the times established in the Schedule of Performance.

The landscaping plans shall be prepared by a professional landscape architect and the grading plans shall be prepared by a licensed civil engineer. Such landscape architect and/or civil engineer may be the same firm as the Developer's architect. Within the times established in the Schedule of Performance, the Developer shall submit to the City for approval the name and qualifications of its architect, landscape architect, and civil engineer, which approval shall not be unreasonably withheld.

The landscaping plans shall include a lighting program which highlights the design of the exterior components of the development including but not limited to building facades, architectural and landscaping detail and sculpture.

E. [§ 305] Construction Drawings and Related Documents for the Site

The Developer shall prepare and submit construction drawings and related documents (collectively called the "Drawings") for the development of the improvements on the Site as well as all applicable off-site public improvements to the City for review (including but not limited to architectural review), and written approval within the times established in the Schedule of Performance (Attachment No. 3). The Drawings shall be submitted in three (3) stages: Schematic, Preliminary Drawings and Final Construction Drawings. Schematic all drawings shall include a refined site plan, elevations and sections of the improvements. Preliminary Drawings are hereby defined as design development drawings. Final Construction Drawings are hereby defined as those in sufficient detail to obtain a building permit.

Approval of progressively more detailed drawings and specifications will be promptly granted by the City if developed as a logical evolution of drawings or specifications theretofore approved. Any items so submitted and approved by the City shall not be subject to subsequent disapproval.

During the preparation of all drawings and plans, the City and the Developer shall, at the request of the City, hold regular progress meetings to coordinate the preparation of, submission to, and review of the Drawings by the City. The City and the Developer shall communicate and consult informally as frequently as is necessary to ensure that the formal submittal of any documents to the City can receive prompt and speedy consideration.

If any revisions or corrections of plans approved by the City shall be required by any government official, agency, department, or bureau having jurisdiction over the development of the Site, the Developer and the City shall cooperate in efforts to obtain a waiver of such requirements or to develop a mutually acceptable alternative.

F. [§ 306] City Approval of Plans, Drawings and Related Documents

Subject to the terms of this Agreement, the City shall have the right of architectural review of all plans and submissions, including any proposed changes therein. The City shall approve or disapprove the plans, drawings and related documents referred to in Section 303, 304 and 305 of this Agreement within the times established in the Schedule of Performance (Attachment No. 3). If approved, such approval shall constitute and indicate that such approved plans, drawings and related documents are in compliance with the Redevelopment Plan and all other City-adopted land use regulations applicable to the Site. Failure by the City to either approve or disapprove within the times established in the Schedule of Performance shall be deemed an approval hereunder. Any disapproval shall state in writing the reasons for disapproval and any changes which the City requests to be made. Such reasons and such changes must be consistent with the Scope of Development (Attachment No. 4) and any items previously approved or deemed approved hereunder. The Developer, upon receipt of a disapproval based upon powers reserved by the City hereunder, shall promptly revise the plans, drawings and related documents, and resubmit the subject plans, drawings and related documents to the City as soon as reasonably possible after receipt of the notice of disapproval.

If the Developer desires to make any substantial change(s) to the Final Construction Drawings after approval, such proposed change(s) shall be promptly submitted to the City for approval. If the Final Construction Drawings, as modified by the proposed change, conform to the requirements of Section 305 of this Agreement and the Scope of Development, the proposed change(s) shall be approved and the Developer shall be notified in writing within thirty (30) days after submission. Such change in the construction plans shall, in any event, be deemed approved unless rejected in whole or in part, by written notice thereof setting forth in detail the reasons therefor, and such rejection shall be made within said thirty- (30) day period.

G. [§ 307] Cost of Construction

The cost of developing the Site, and constructing the Improvements thereon, shall be borne by the Developer, except as otherwise expressly and specifically provided herein.

H. [§ 308] Schedule of Performance

After the conveyance of title to and possession of the Sales Parcel, or any portion thereof, the Developer shall promptly begin and thereafter diligently prosecute to completion the construction of the Improvements on the Site or the applicable portion thereof, and the development thereof as provided in the Scope of Development (Attachment No. 4). The Developer shall begin and complete all construction and development of the Improvements on the Site within the times specified in the Schedule of Performance (Attachment No. 3) with such reasonable extensions of said dates as may be granted in writing by the City. The Schedule of Performance is subject to revision from time to time as mutually agreed upon in writing by the Developer and the City.

During periods of construction, the Developer shall submit to the City a written report of the progress of the construction when and as reasonably requested by the City, but in no event shall the Developer be required to submit any such report more often than monthly. The report shall be in such form and detail as may be reasonably required by the City and shall include a reasonable number of construction photographs (if requested) taken since the last report by the Developer.

Without limiting the foregoing, prior to the completion of the Improvements on the Site, and also prior to completion of any off-site improvements related to and required as part of the development of the Site for which the Developer shall be responsible, the Developer and its architect shall formally demonstrate to the City (or its designee) that the actual structural design and construction of the improvements on the Site are consistent with the plans, drawings and specifications theretofore approved by the City for the development.

I. [§ 309] Indemnification during Construction; Bodily Injury and Property
Damage Insurance

During the period commencing with execution of this Agreement by the City, and continuing until such time as the City has issued a Release of Construction Covenants with respect to the construction of the Improvements on the Site, the Developer agrees to and shall indemnify and hold the City, the City and their respective officers, employees, contractors and agents harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall occur on or adjacent to the Site and which shall be directly or indirectly caused by any acts done thereon or any errors or omissions of the Developer or its officers, employees, contractors or agents with the exception of acts, errors or omissions of the City, City, and/or their respective officers, employees, contractors or agents.

During the period commencing with any preliminary work on the Site by Developer under Section 214, or if none, then commencing with conveyance of title and possession of the Sales Parcel to Developer, and ending on the date when a Release of Construction Covenants has

been issued with respect to the entire Site, the Developer shall furnish or cause to be furnished to the City, duplicate originals or appropriate certificates of bodily injury and property damage insurance policies in the amount of at least \$3,000,000 combined single limit liability naming the City, the City, and their respective officers, employees, contractors and agents as additional insureds.

J. [§ 310] Antidiscrimination during Construction

The Developer, for itself and its successors and assigns, agrees that in the construction of the Improvements on the Site as provided for by this Agreement, the Developer will not discriminate against any employee or applicant for employment because of sex, marital status, race, color, creed, religion, national origin, or ancestry.

K. [§ 311] Local, State and Federal Laws

The Developer shall carry out the construction of the Improvements on the Site in conformity with all applicable laws, including all applicable federal and state labor standards. The Developer shall carry out development, construction (as defined by applicable law) and operation of the improvements on the Site, including, without limitation, any and all public works (as defined by applicable law), in conformity with all applicable local, state and federal laws, including, without limitation, all applicable federal and state labor laws (including, without limitation, the requirement to pay state prevailing wages to the extent applicable). The Developer hereby expressly acknowledges and agrees that neither City nor the City has ever previously affirmatively represented to the Developer or its contractor(s) for the construction or development of the improvements in writing or otherwise, in a call for bids or otherwise, that the work to be covered by this Agreement is not a "public work," as defined in Labor Code Section 1720. Developer hereby agrees that Developer shall have the obligation to provide any and all disclosures or identifications required by Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time, or any other similar law. The Developer shall indemnify, protect, defend and hold harmless the City, City and their respective officers, employees, contractors and agents, with counsel reasonably acceptable to the City and City, from and against any and all loss, liability, damage, claim, cost, expense and/or "increased costs" (including reasonable attorneys' fees, court and litigation costs, and fees of expert witnesses) which, in connection with the development, construction (as defined by applicable law) and/or operation of the improvements, including, without limitation, any and all public works (as defined by applicable law), results or arises in any way from any of the following: (1) the noncompliance by the Developer of any applicable local, state and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, the requirement to pay state prevailing wages); (2) the implementation of SB 966; (3) the implementation of Labor Code Section 1781 of the Labor Code, as the same may be enacted, adopted or amended from time to time, or any other similar law; and/or (4) failure by the Developer to provide any required disclosure or identification as required by Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time, or any other similar law. It is mutually agreed by the parties that, in connection with the development, construction (as defined by applicable law) and operation of the improvements, including, without limitation, any and all public works (as

defined by applicable law), the Developer shall bear all risks of payment and/or non-payment of state prevailing wages and/or the implementation of SB 966 and/or Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time, and/or any other similar law. "Increased costs" as used in this Section shall have the meaning ascribed to it in Labor Code Section 1781, as the same may be enacted, adopted or amended from time to time. The foregoing indemnity shall survive termination of this Agreement.

L. [§ 312] City and Other Governmental City Permits

Before commencement of construction or development of any buildings, structures or other work of improvement upon the Site, the Developer, with City assistance where necessary and appropriate, shall secure or cause to be secured, any and all permits which may be required by the City or any other governmental agency affected by such construction, development or work. The City shall use its good faith efforts to assist the Developer in securing these permits.

M. [§ 313] Rights of Access

Representatives of the City and the City shall have a reasonable right of access to the Site, upon twenty-four (24) hours' prior written notice to the Developer, without charges or fees, at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the Improvements. However, no such notice shall be required in the event of an emergency involving the Site or any portion thereof.

Representatives of the City or the City shall be those who are so identified in writing by the Executive Director of the City (or his/her designee). Such representatives shall also be responsible for providing any required written notice to the Developer. All activities performed on the Site by the representatives shall be done in compliance with all applicable laws and regulations regarding health and safety, including any written safety rules and regulations of the Developer.

N. [§ 314] Responsibilities of the City

The City shall only be responsible for performing any work specified in the Scope of Development (Attachment No. 4) requiring City performance

O. [§ 315] Taxes. Assessments. Encumbrances and Liens

The Developer shall pay when due all real estate taxes and assessments assessed and levied on or against the Sales Parcel and all portions thereof, subsequent to the conveyance of the title or possession. However, the Developer shall be responsible at all times for the payment when due of all real estate taxes and assessments assessed and levied on or against the Participating Parcel. The Developer shall not place, or allow to be placed on the Site or any portion thereof, any mortgage, trust deed, encumbrance or lien not authorized by this Agreement. The Developer shall remove, or shall have removed, any levy or attachment made on the Site or

any portion thereof, except those created by work of the City, or shall assure the satisfaction thereof within a reasonable time but in any event prior to a sale thereunder. Nothing herein contained shall be deemed to prohibit the Developer from contesting the validity or amount of any tax assessment, encumbrance or lien, nor to limit the remedies available to the Developer in respect thereto. The covenants of the Developer set forth in this Section 315 relating to the placement of any unauthorized mortgage, trust deed, encumbrance, or lien, shall remain in effect only until a Release of Construction Covenants has been recorded with respect to the Site or the portion thereof upon which any unauthorized mortgage, trust deed, encumbrance or lien might be placed.

P. [§ 316] Prohibition Against Transfer Prior to Issuance of a Release of Construction Covenant

Prior to the issuance by the City of a Release of Construction Covenants pursuant to Section 324 of this Agreement, the Developer shall not, except as permitted by this Agreement, assign or attempt to assign this Agreement or any right herein with respect to the Site (or portion thereof), nor make any total or partial sale, transfer, conveyance or assignment of the whole or any part of the Site or the Improvements thereon, without prior written approval of the City. This prohibition shall not be deemed to prevent the granting of leases, easements or permits necessary to facilitate the development of the Site, nor shall it prohibit granting any security interests expressly described in this Agreement for financing the acquisition and development of the Site.

In the event that the Developer does assign this Agreement or any of the rights herein, or does sell, transfer, convey or assign any part of the Site or the buildings or structures thereon for any reason other than an involuntary condemnation action by a public entity against the Site, or any such buildings or structures thereon, prior to the recordation of the Release of Construction Covenants in violation of this Agreement, the City shall be entitled to increase the purchase price paid by the Developer for the Sales Parcel by the amount that the pro-rata consideration attributable and payable for such sale, transfer, conveyance or assignment of the Sales Parcel is in excess of the purchase price paid by the Developer for the Sales Parcel, plus the cost of any improvements and development, including carrying charges and costs related thereto. To the extent such consideration payable for such sale, transfer, conveyance or assignment is in excess of the original purchase price paid by the Developer for the Sales Parcel plus the cost of the Improvements and development, including carrying charges and costs related thereto, such excess shall belong and be paid to the City and until so paid, the City shall have a lien on the Site (or applicable portion thereof), as the case may be, for such amount. Any such lien shall be subordinate and subject to mortgages, deeds of trust, or other security instruments executed for the sole purpose of obtaining funds to purchase and develop the Site (or portion thereof) as authorized herein. At the time of any such sale, transfer, conveyance or assignment, the Developer shall submit to the City sufficient information reasonably required by the City to demonstrate that there is no such excess consideration received with respect to any such sale, transfer, conveyance or assignment or pursuant to the terms of this paragraph.

In the absence of a specific written agreement by the City, no such sale, transfer, conveyance or assignment of this Agreement or the Site (or any portion thereof), or approval by

the City of any such sale, transfer, conveyance or assignment, shall be deemed to relieve the Developer or any other party from the obligations of this Agreement.

Q. [§ 317] Security Financing; Right of Holders

[Reserved]

R. [§ 318] No Encumbrances except Mortgages, Deeds of Trust,
Conveyances and Leasebacks or Other Conveyance for Financing
for Development

Notwithstanding Section 316 above, after conveyance of title and possession to any portion of the Sales Parcel to Developer, mortgages, deeds of trust, conveyances and leasebacks, or any other form of conveyance required for any reasonable method of financing are permitted with respect to the Site before the recordation of the Release of Construction Covenants (referred to in Section 324 of this Agreement), but only for the purpose of securing loans and funds to be used for financing the acquisition of the Sales Parcel, the construction of the Improvements on the Site, and any other expenditures necessary and appropriate to develop the Site pursuant to the terms of this Agreement. The Developer shall notify the City in advance of any mortgage, deed of trust, conveyance and leaseback, or other form of conveyance for financing if the Developer proposes to enter into the same before the recordation of the Release of Construction Covenants. The Developer shall not enter into any such conveyance for financing without the prior written approval of the City, which approval the City agrees to give if any such conveyance is provided by a responsible financial or lending institution or other acceptable person or entity. Such lender shall be deemed approved unless rejected in writing by the City within thirty (30) days after receipt of notice thereof by the City. Such lender approved by the City pursuant to this Section 318, shall not be bound by any amendment, implementation, or modification to this Agreement subsequent to its approval without such lender giving its prior written consent. City and Developer shall not modify or amend this Agreement without such lender's giving its prior written approval.

In any event, the Developer shall promptly notify the City of any mortgage, deed of trust, lease, conveyance and leaseback, or other financing, conveyance, encumbrance or lien that has been created or attached to the Site (or any portion thereof) prior to completion of the construction of the improvements thereon whether by voluntary act of the Developer or otherwise.

The words "mortgage" and "deed of trust" as used herein include all other appropriate modes of financing real estate acquisition, construction, and land development.

S. [§ 319] Holder Not Obligated to Construct Improvements

The holder of any mortgage, deed of trust or other security interest authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion; nor shall any

covenants or any other provision in the grant deed for the Site be so construed as to so obligate such holder. Nothing in this Agreement shall be deemed or construed to permit, or authorize any such holder to devote the Site to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

T. [§ 320] Notice of Default to Mortgage. Deed of Trust or Other Security
Interest Holders; Right to Cure

Whenever the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in completion of construction of the Improvements, the City shall at the same time deliver to each holder of record of any mortgage, deed of trust or other security interest authorized by this Agreement a copy of such notice or demand. Each such holder shall (insofar as the rights of the City are concerned) have the right at its option within ninety (90) days after the receipt of the notice, to cure or remedy, or commence to cure or remedy, any such default and to add the cost thereof to the security interest debt and the lien of its security interest. If such default shall be a default which can only be remedied or cured by such holder upon obtaining possession, and such holder has elected to remedy or cure such default, such holder shall seek to obtain possession with diligence and continuity through foreclosure, deed in lieu of foreclosure or such other procedure as the holder may elect, and shall remedy or cure such default within ninety (90) days after obtaining possession; provided, however, that in the case of a default which cannot diligently be remedied or cured, or the remedy or cure of which cannot be commenced within such 90-day period, such holder shall have such additional time as reasonably necessary to remedy or cure such default with diligence and continuity. Moreover, any such holder shall also not be required to remedy or cure any non-curable default of the Developer. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the Improvements (beyond the extent necessary to conserve or protect the Improvements or construction already made) without first having expressly assumed the Developer's obligations to the City by written agreement reasonably satisfactory to the City. The holder in that event must agree to complete, in the manner provided in this Agreement, the Improvements to which the lien or title of such holder related, and submit evidence reasonably satisfactory to the City that it has the qualifications and/or financial responsibility necessary to perform such obligations. Any such holder properly completing such Improvements shall be entitled, upon written request made to the City, to a Release of Construction Covenants from the City.

U. [§ 321] Failure of Holder to Complete Improvements

In any case where six (6) months after default by the Developer relative to the completion of construction of the Improvements on the Site (for which a Release of Construction Covenants has not yet been issued the City pursuant to this Agreement), the holder of any mortgage, deed of trust or other security interest creating a lien or encumbrance upon the Site (or portion thereof) has not exercised the option to construct, or if it has exercised the option but has not proceeded diligently with construction (including diligent efforts to obtain possession if necessary), the City may purchase the mortgage, deed of trust or other security interest by payment to the holder of the amount of the unpaid debt, plus any accrued and unpaid interest and other charges properly

payable under the mortgage, deed of trust or other security interest; provided, however, that the holder shall have thirty (30) days after its receipt of notice from the City of its intent to effect this purchase, in which the holder may exercise the option to construct (if it has not previously done so), or may resume to proceed diligently with construction, as the case may be, and if the holder does so act, the notice from the City shall be deemed withdrawn; the foregoing right to delay purchase by the City may be exercised only once by the holder. If the ownership of the Site (or any portion thereof) has vested in the holder, the City, if it so desires, shall be entitled to a conveyance from the holder to the City upon payment to the holder of an amount equal to the sum of the following as they pertain to the Site (or portion thereof):

- (a) The unpaid mortgage, deed of trust or other security interest debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings).
- (b) All expenses with respect to foreclosure.
- (c) The net expense, if any (exclusive of general overhead), incurred by the holder as a direct result of the subsequent ownership or management of the Site (or portion thereof), such as insurance premiums and real estate taxes.
- (d) The cost of any Improvements on the Site made by such holder.
- (e) An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by the City.

V. [§ 322] Right of City to Cure Mortgage, Deed of Trust, or Other Security Interest Default

In the event of a default or breach by the Developer of a mortgage, deed of trust or other security interest with respect to the Site (or portion thereof) prior to the issuance of a Release of Construction Covenants by the City, and the holder has not exercised its option to complete the development, the City may cure the default prior to completion of any foreclosure. In such event, the City shall be entitled to reimbursement from the Developer of all costs and expenses incurred by the City in curing the default. The City shall also be entitled to a lien upon the Site (or portion thereof) to the extent of such costs and disbursements. Any such lien shall be subordinate and subject to mortgages, deeds of trust, or other security instruments executed for the sole purpose of obtaining funds to purchase and develop the Site (or portion thereof) as authorized herein.

Notwithstanding the preceding paragraph, Developer hereby acknowledges that the City shall be under no obligation pursuant to this section to cure any such default.

W. [§ 323] Right of the City to Satisfy Other Liens on the Property after Title Passes

Prior to the recordation of the Release of Construction Covenants (referred to in Section 324 of this Agreement), and the Developer, after a thirty (30) day period following its receipt of notice of the existence of any such liens or encumbrances, has failed to challenge, cure or satisfy any such liens or encumbrances on the Site (or the applicable portion thereof), the City shall have the right to satisfy any such liens or encumbrances; provided, however, that nothing in this Agreement shall require the Developer to pay or make provisions for the payment of any tax, assessment, lien or charge so long as the Developer in good faith contests the validity or amount thereof, and so long as such delay in payment shall not subject the Site (or the applicable portion thereof) to forfeiture or sale.

X. [§ 324] Release of Construction Covenants

Promptly after completion of all construction and development of the Improvements to be completed by the Developer upon the Site, the City shall furnish the Developer with a Release of Construction Covenants upon written request therefor by the Developer. The City shall not unreasonably withhold any such Release of Construction Covenants. Such Release of Construction Covenants shall be, and shall so state, conclusive determination of satisfactory completion of the construction required by this Agreement upon the Site, in substantial compliance with the plans, drawings and related document referred in Sections 304 and 305, and of full compliance with the terms hereof with respect to the development of the Improvements upon the Site. Notwithstanding the foregoing, the City may also furnish the Developer with a Release of Construction Covenants for portions of the improvements that are properly completed and ready to use if the Developer is not in default of this Agreement. After the recordation of the Release of Construction Covenants with regard to any portion of the Site, any party then owning or thereafter purchasing, leasing, or otherwise acquiring any interest therein shall not (because of such ownership, purchase, lease or acquisition) incur any obligation or liability under this Agreement, except that such party shall be bound by any covenants contained in the deed, lease, mortgage, deed of trust, contract or other instrument of transfer which shall include the provisions of Sections 400 through 404 (inclusive) of this Agreement. Neither the City nor any other person, after the recordation of the Release of Construction Covenants, shall have any rights, remedies or controls that it would otherwise have or be entitled to exercise under this Agreement with respect to the Site (or any portion thereof) as a result of a default in or breach of any provision of this Agreement, and the respective rights and obligations of the parties with reference to the Site (or portion thereof) shall be limited thereafter to those set forth in the documents recorded pursuant to Sections 400 through 404 (inclusive) of this Agreement.

The Release of Construction Covenants shall be in the form of Attachment No. 8 attached hereto and fully incorporated herein by this reference to be recorded in the Office of the Recorder of Los Angeles County.

If the City refuses or fails to furnish a Release of Construction Covenants for the Site (or portion thereof) after written request from the Developer, the City shall, within ten (10) days of

the written request, provide the Developer with a written statement which details the reasons the City refused or failed to furnish a Release of Construction Covenants. The statement shall also contain the City's opinion of the action the Developer must take to obtain a Release of Construction Covenants. If the reasons for such refusal are confined to the immediate unavailability of specific items or materials for landscaping, the City will issue its Release of Construction Covenants upon the posting of a bond by the Developer with the City in an amount representing a fair value of the work not yet completed. If the City shall have failed to provide such written statement within said 10-day period, the Developer shall be deemed entitled to the Release of Construction Covenants.

Such Release of Construction Covenants shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage, or any insurer of a mortgage securing money loaned to finance the improvements, nor any part thereof. Such Release of Construction Covenants is not a Notice of Completion as referred to in Section 3093 of the California Civil Code.

Y. [§ 325] Project Identification Sign

Prior to commencement of any construction on the Site up until the issuance of a Release of Construction Covenants by the City as set forth in Section 324 above, the Developer shall prepare and install, at its cost and expense, a project identification sign at one location along the street frontage of the Site. The sign shall be at least eighteen (18) square feet in size and visible to passing pedestrian and vehicular traffic. The design of the sign as well as its proposed location shall be submitted to the City for review and approval prior to installation. The sign shall, at a minimum, include:

- Development name
- Developer
- The phrase:

A Project of the Inglewood Redevelopment City

Mayor: James T. Butts, Jr.

Councilmembers:	Michael Stevens	1 st District
	Judy Dunlap	2 nd District
	Eloy Morales	3 rd District
	Ralph Franklin,	4 th District

- Completion Date _____.
- For information call

Developer shall obtain a current roster of Inglewood Redevelopment City before signs are printed.

IV. [§ 400] USE OF THE SITE

A. [§ 401] Uses

The Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Site or any part thereof, that, subject to the limitations specified in Section 405, during construction and thereafter the Developer, its successors and assignees shall devote the Site to the uses specified in the Redevelopment Plan, the development standards established in the Scope of Development (Attachment No.4), the City Zoning Code and the Grant Deed.

B. [§ 402] Maintenance of the Site

During construction and all times thereafter, the Developer, and its successors and assigns, shall maintain the Improvements on the Site and shall keep the Site reasonably free from graffiti and any accumulation of debris or waste materials. During construction and all times thereafter, the Developer, and its successors and assigns, shall also maintain the landscaping required to be planted under the Scope of Development in a healthy condition.

If the Developer fails to maintain the Site as required, the Developer agrees that the City shall have the right, but not the obligation, after giving five (5) business days' written notice to the Developer, to perform or cause the performance of all necessary maintenance at the Developer's expense. In such event, the City also be entitled to all related administrative or other costs associated with said performance of maintenance. Until fully reimbursed by the Developer, the City shall have a lien upon the Site in the amount of all such maintenance and related costs as set forth above.

C. [§ 403] Obligation to Refrain from Discrimination

The Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Site or any part thereof, there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site nor shall the Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site.

D. [§ 404] Form of Nondiscrimination and Nonsegregation Clauses

The Developer shall refrain from restricting the rental, sale or lease of the property on the basis of sex, marital status, race, color, creed, religion, ancestry or national origin of any person.

All deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

1. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of sex, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."
2. In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of sex, marital status, race, color, creed, religion, national origin or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall lessee itself, or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."
3. In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of sex, marital status, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

E. [§ 405] Effect and Duration of Covenants

The covenants established in this Agreement shall, without regard to technical classification and designation, be binding on Developer and any successor in interest to the Site, or any part thereof, for the benefit and in favor of the City and the Inglewood Redevelopment Agency and their respective successors and assigns. Such covenants as are to survive the recordation of the Release of Construction Covenants by the City shall be contained in the Grant Deed (Attachment No. 5) and shall remain in effect for the period specified therein. Covenants in

this Agreement not expressly set forth in the Grant Deed shall terminate upon the issuance of a Release of Construction Covenants therefor.

F. [§ 406] Rights of Access - Public Improvements and Facilities

The City for itself, and for the City and other public agencies, at their sole risk and expense, reserves the right to enter the Site or any part thereof at all reasonable times after twenty-four (24) hours' prior written notice to the Developer, and with as little interference as possible, for the purpose of constructing, reconstructing, maintaining, repairing or servicing any of the public improvements or public facilities located on the Site. Any such entry shall be subject to the 24-hour notice requirement unless there is an emergency for which immediate access to the Site is required of the City for any required construction, reconstruction, maintenance, repair or service of the public improvements or public facilities on the Site. The City shall indemnify and hold the Developer harmless from any claims or liabilities pertaining to such entry. Any damage or injury to the Site resulting from such entry shall be promptly repaired at the sole expense of the public agency responsible for the entry. The Developer also agrees to give the same rights set forth above to the City and/or other public agencies provided the City and/or other public agencies agree to be bound by the conditions set forth in this Section. The rights set forth in this Section shall be applicable to any portion of the Site.

V [§ 500] DEFAULTS, REMEDIES AND TERMINATION

A. [§501] Defaults - General

Subject to the extensions of time set forth in Section 604 and the cure periods provided in Section 507 hereof, any material failure or delay by either party to perform any term or provision of this Agreement shall constitute a default under this Agreement. The party who fails or delays must promptly commence to cure, correct or remedy such failure or delay and continue to take all steps necessary to completely cure, correct or remedy such failure or delay with reasonable diligence.

The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default. Except as otherwise expressly provided in this Agreement, any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by either party in asserting any of its rights and remedies shall not deprive either party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies provided such actions or proceedings are initiated prior to the default being cured by the defaulting party.

B. [§ 502] Legal Actions

1. [§ 503] Institution of Legal Actions

In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Los Angeles, State of California, in any other appropriate court of that county, or in the Federal District Court in the Central District of California; provided, however, that if any such legal action cannot be instituted within said forums, such action must be instituted within the nearest available forum within the State of California.

2. [§ 504] Applicable Law

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

3. [§ 505] Acceptance of Service of Process

In the event that any legal action is commenced by the Developer against the City, service of process on the City shall be made by personal service upon the Executive Director or Chairman of the City, or in such other manner as may be provided by law.

In the event that any legal action is commenced by the City against the Developer, service of process on the Developer shall be made by personal service upon any officer or managing member of the Developer and shall be valid whether made within or without the State of California, or in such manner as may be provided by law.

C. [§ 506] Rights and Remedies Are Cumulative

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

D. [§ 507] Damages

If either party is in default with regard to any of the provisions of this Agreement, the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not cured by the defaulting party within ten (10) days after receipt of a notice of default in the event of a monetary obligation, or within thirty (30) days for any other type of default, then the nondefaulting party may thereafter (but not before) commence an action for damages against the defaulting party with respect to such default. However, in the event that the default (other than a monetary obligation) is the type in which the defaulting party is incapable of curing

within the thirty (30) day cure period, then if the defaulting party fails to commence the necessary actions to cure the default within the requisite thirty (30) days and fails to continuously and diligently cure the subject default within a reasonable period of time after commencement, then the nondefaulting party may thereafter (but not before) commence an action for damages against the defaulting party with respect to such default.

E. [§ 508] Specific Performance

If the City is in default with regard to any of the provisions of this Agreement, the Developer shall serve written notice of such default upon the City. If the default is not cured by the City within ten (10) days after receipt of the notice of default in the event of a monetary obligation, or within thirty (30) days for any other type of default, then the Developer may thereafter (but not before, unless necessary to prevent immediate harm) commence an action for specific performance of the terms of this Agreement against the City with respect to such default. However, in the event that the default (other than a monetary obligation) is the type in which the City is incapable of curing within thirty (30) days, then if the City fails to commence the necessary actions to cure the default within the thirty (30) day cure period and thereafter fails to cure the subject default in a continuous and diligent manner within a reasonable period of time after commencement, then the Developer may thereafter (but not before, unless necessary to prevent immediate harm) commence an action for specific performance of the terms of this Agreement against the City with respect to such default.

F. [§ 509] Remedies and Rights of Termination

1. [§510] Termination by Developer

In the event that prior to the date established in the Schedule of Performance (Attachment No. 3) for the conveyance of title and possession of the Site to the Developer:

- a. the Developer is unable, despite commercially reasonable efforts, and within the time established respectively therefor in the Schedule of Performance to obtain approval from the City of any requisite Preliminary Subdivision Map, or Final Subdivision Map with respect to the Site, as referred to as "Subdivision Maps" in Section 703 of this Agreement; or
- b. the Developer is unable, despite commercially reasonable efforts, to obtain financing consistent with this Agreement, for the acquisition of the Sales Parcel and construction and development of the improvements on the Site in accordance with this Agreement and the Scope of Development (Attachment No. 4) and deliver to the City any submission of evidence of financing referred to in Section 219 within the time established therefor in the Schedule of Performance; or
- c. the Developer is unable, despite commercially reasonable efforts, to obtain prior to the date established in this Agreement for conveyance of the Sales

Parcel, any of the following permits or entitlements for the development of the Site in accordance with this Agreement (including the Scope of Development) and the Drawings approved by the City:

- i) final discretionary permits and/or approvals required for the development of the Site by the City or any other governmental entity having applicable jurisdiction; or
 - ii) all utility permits including any applicable sewer and water permits; or
 - iii) building permits; or
- d. the Developer shall reasonably determine that the condition on the Sales Parcel is not suitable for development thereon pursuant to Section 212 of this Agreement prior to the conveyance date established therefor in the Schedule of Performance; or
- e. the Developer is unable, despite commercially reasonable efforts, to obtain and submit to the City any submission of evidence of financing commitments referred to in Section 219 of this Agreement with respect to the Site, within the time established respectively therefor in the Schedule of Performance; or
- f. the City is unable, despite commercially reasonable efforts, to tender conveyance of title to Sales Parcel or possession thereof to the Developer in the manner and condition, and within the established time therefor in the Schedule of Performance and such failure is not be cured within thirty (30) days after the date of written demand by the Developer; or
- g. the City fails, despite commercially reasonable efforts, to timely perform any other material obligation of the development as required under this Agreement and such failure is not cured within thirty (30) days after the date of written demand by the Developer, then this Agreement may, at the option of the Developer, be terminated by giving written notice thereof to the City, and except to the extent provided in the Method of Financing (Attachment No. 2), neither the City nor the Developer nor any successor in interest shall have any further rights against or liability to the other under this Agreement with respect to the Site, other than the disposition of the Good Faith Deposit which shall be disposed of in accordance with Section C of the Method of Financing (Attachment No. 2).

2. [§511] Termination by City

In the event that prior to the date established in the Schedule of Performance (Attachment No. 3) for the conveyance of title and possession of the Site to the Developer:

- a. the Developer shall fail to deliver to the City any submission of evidence of financing commitments referred to in Section 214 of this Agreement with respect to the Site within the times established therefor in the Schedule of Performance (Attachment No. 3); or
- b. the Developer (or any successor in interest), in violation of the provisions of this Agreement, assigns or attempts to assign the Agreement or any right herein, or in the Site (or portion thereof); or
- c. there is a substantial change in the ownership of the Developer, or with respect to the identity of the parties in control of Developer, or the degree thereof contrary to the provisions of Sections 107 and 108 hereof; or
- d. the Developer does not deliver any submission of plans, drawings, and related documents as required by this Agreement by the dates respectively provided in this Agreement without the advance written consent of the City; or
- e. the Developer does not pay the purchase price and take title and possession to the Sales Parcel by the date provided therefor in the Schedule of Performance (Attachment No. 3), under a tender of conveyance by the City pursuant to this Agreement; or
- f. the Developer is unable, despite commercially reasonable efforts, to obtain prior to the date established in this Agreement for conveyance of the Site, any of the following permits or entitlements for the development of the Site in accordance with this Agreement (including the Scope of Development) and the Drawings approved by the City:
 - i) final discretionary permits and/or approvals required for the development of the Site by the City or any other governmental entity having applicable jurisdiction;; or
 - ii) all utility permits including any applicable sewer and water permits; or
 - iii) building permits; or
- g. the Developer is unable, despite commercially reasonable efforts, and within the time established respectively therefor in the Schedule of

Performance, to obtain approval from the City any Preliminary Subdivision Map or Final Subdivision Map required by the City, if any, with respect to the parcels comprising the Site, as referred to as Subdivision Maps in Section 703 of this Agreement; or

- h. the Developer fails to timely perform any other material obligation of the development of the Site as required under this Agreement, and any such default(s) or failure(s) referred to in subdivisions (a) through (h) of this Section shall not be cured within thirty (30) days after the date of written demand by the City,

then this Agreement and any rights of the Developer, or any assignee or transferee, in this Agreement, or arising therefrom with respect to the City shall, at the option of the City, be terminated with respect to the Site by written notice thereof to the Developer, and except to the extent provided in the Method of Financing (Attachment No. 2) neither the City nor the Developer, nor any assignee or transferee of the Developer, shall have any further rights against or liability to the other under this Agreement with respect to the Site, other than the disposition of the Good Faith Deposit which shall be disposed of in accordance with Section C of the Method of Financing (Attachment No. 2).

G. [§512] Right of Re-Entry

The City shall have the right, at its sole option, to reenter and take possession of the Sales Parcel (or the applicable portion thereof) with all improvements thereon, and to terminate and revest in the City the estate theretofore conveyed to the Developer, if after conveyance of title or possession to the applicable portion of the Sales Parcel and prior to the recordation of the Release of Construction Covenants pertaining to the Site (or applicable portion thereof), the Developer (or its successors in interest) shall:

- (a) fail to commence construction of the Improvements as required by this Agreement for a period of thirty (30) days after title and/or possession of the Sales Parcel has been conveyed to the Developer, provided that the Developer has not obtained an extension or postponement of time pursuant to Section 604 hereof; or
- (b) abandon or substantially suspend construction of the Improvements for a period of three (3) consecutive months after written notice of such abandonment or suspension has been given by the City to the Developer; provided Developer has not obtained an extension or postponement of time pursuant to Section 604 hereof; or
- (c) assign or attempt to assign this Agreement, or any rights herein, or transfer, or suffer any involuntary transfer of the Site, or any part thereof, in violation of this Agreement, and such violation shall not be cured within thirty (30) days after the date of receipt of written notice thereof by the City to the Developer.

Such right to re-enter, repossess, terminate, and revest shall be subject to and be limited by and shall not defeat, render invalid, or limit:

- (a) any mortgage, deed of trust, or other security interests permitted by this Agreement with respect to the Site (or applicable portion thereof); or
- (b) any rights or interests provided in this Agreement for the protection of the holders of such mortgages, deeds of trust, or other security interests.

The rights established in this Section 512 shall not apply to the Sales Parcel or any part thereof on which any improvements to be constructed thereon have been completed in accordance with the Agreement and for which a Release of Construction Covenants has been recorded therefor as provided in Section 324.

The Grant Deed to the Sales Parcel shall contain appropriate reference and provision to give effect to the City's right, as set forth in this Section 512 under specified circumstances prior to the recordation of the Release of Construction Covenants, to re-enter and take possession of the Sales Parcel (or any portion thereof), with all improvements thereon, and to terminate and revest in the City the estate conveyed to the Developer.

Subject to the rights of the holders of security interests as stated in subparagraphs (a) and (b) above, upon the revesting in the City of title to the Sales Parcel, or any part thereof, as provided in this Section 512, the City shall, pursuant to its responsibilities under state law, use its commercially reasonable efforts to resell the Sales Parcel, or part thereof, as soon and in such manner as the City shall find feasible and consistent with the objectives of the Community Redevelopment Law and the Redevelopment Plan to a qualified and responsible party or parties (as determined by the City in its sole discretion), who shall have no obligation to complete the Improvements, but shall develop the Sales Parcel, or applicable part thereof, in accordance with the uses specified in the Redevelopment Plan as determined by such parties.

Upon such resale of the Sales Parcel, or any part thereof, the proceeds thereof shall be applied:

- (a) first, to reimburse the City on its own behalf or on behalf of the City, all reasonable costs and expenses incurred by the City, including but not limited to fees of consultants engaged in connection with the recapture, management, and resale of the Sales Parcel, or applicable part thereof (but less any income derived by the City from the sale of the Sales Parcel, or applicable part thereof, in connection with such management); all taxes, assessments and water and sewer charges with respect to the Sales Parcel, or applicable part thereof (or, in the event the Site, or part thereof, is exempt from taxation or assessment or such charges during the period of City ownership, then such taxes, assessments, or charges, as would have been payable if the Site, or applicable part thereof, was not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to

obligations, defaults, or acts of the Developer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the agreed improvements or part thereof on the Sales Parcel, or applicable part thereof; and any amounts otherwise owing to the City by the Developer and its successor or transferee; and

- (b) second, to reimburse the Developer, its successor or transferee, up to the amount equal to (1) the sum of the purchase price paid to the City by the Developer for the Sales Parcel (or allocable to the part thereof); and (2) the hard and soft costs reasonably incurred for the development of the Site attributable to the Sales Parcel, or applicable part thereof, or for the construction of the Improvements thereon attributable to the Sales Parcel, or applicable part thereof, less (3) any gain or income withdrawn or made by the Developer therefrom or from the improvements thereon attributable to the Sales Parcel, or applicable part thereof.

Any balance remaining after such reimbursements shall be retained by the City as its property.

To the extent that the right established in this Section 512 involves a forfeiture, it must be strictly interpreted against the City, the party for whose benefit it is created. The rights established in this Section 512 are to be interpreted in light of the fact that the City will convey the Site, to the Developer for development and not for speculation in undeveloped land.

VI. [§ 600] GENERAL PROVISIONS

A. [§ 601] Notices, Demands and Communications between the Parties

Formal notices, demands, and communications between the City and the Developer shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested or by reputable overnight service that maintains delivery receipts (e.g., Federal Express) to the principal offices of the City and the Developer, as designated in Sections 106 and 107 hereof. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section 601.

B. [§ 602] Conflicts of Interest

No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested.

The Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement other than as specified in Section 607.

C. [§ 603] Nonliability of City Officials and Employees

No member, official, employee or consultant of the City or the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Developer or to its successor, or on any obligations under the terms of this Agreement.

D. [§ 604] Enforced Delay: Extension of Time of Performance

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, materials or tools, delays of any contractor, subcontractor or supplies, acts of the other party, acts or failure to act of the City or any other public or governmental agency or entity (other than an act or failure to act of the City or the City which shall give rise to the delaying act described above) or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within sixty (60) days of knowledge of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the City and the Developer.

Wherever this Agreement refers to performance by a specific time, or in accordance with the Schedule of Performance (Attachment No. 3), including without limitation in Sections 510 and 511 hereof, such times shall include any extensions pursuant to this Section 604.

E. [§ 605] Inspection of Books and Records

Prior to the issuance by the City of a Release of Construction for the development of the entire Site as contemplated by this Agreement, the City shall have the right at all reasonable times upon twenty-four (24) hour written notice to inspect the books and records of the Developer pertaining to the Site as pertinent to the purposes of this Agreement when needed by the City to: (1) establish the evidence of financing referred to in Section 214; (2) determine the costs, consideration and any excess consideration under Section 316; (3) determine the amount of payment provided for under Section 321; (4) to determine amounts necessary to cure under Section 322 and 323; and (5) determine the amounts due in connection with the right of re-entry referred to in Section 512.

F. [§ 606] Approvals

Except where this Agreement expressly provides for an approval of either party in its sole discretion, approvals required of the City or the Developer shall not be unreasonably withheld.

G. [§ 607] Real Estate Commissions

The City and the Developer each acknowledge and represents to the other that neither has employed the services of any brokerage firm, broker, agent, or finder in connection with this transaction and shall not be liable for any real estate commissions, brokerage fees or finders fees which may arise from the sale of the Site to Developer. In this regard, each party agrees to defend and hold the other party harmless from any claim by any broker, agent or finder retained by the any party hereto. In addition, each party represents to the other party that it has not incurred any liability for the payment of any real estate commission or brokerage or finder's fee in connection with this Agreement.

H. [§ 608] Attorneys' Fees

In the event that any litigation is commenced between the parties to this Agreement concerning any provision of this Agreement, including all attachments hereto, or the rights and obligations of any party, the parties to this Agreement hereby agree that the prevailing party in such litigation shall be entitled, in addition to such other relief as may be granted by the court, to a reasonable sum as and for its attorneys' fees in that litigation which shall be determined by the court in that litigation or in a separate action brought for that purpose.

VII. [§ 700] SPECIAL PROVISIONS

A. [§ 701] Employment and Training Agreement

The Developer and the City shall execute the Employment and Training Agreement which is incorporated herein and attached to this Agreement as Attachment No. 6, concurrently with the execution of this Agreement which shall provide for certain contracting and employment and training opportunities for qualified residents of the City of Inglewood.

B. [§ 702] Tenant/Buyer Review and Approval

Except as otherwise provided in this Agreement, all tenant/buyer space leased/purchased within any portion of the Improvements constructed on the Site by the Developer shall be subject to City approval. City approval shall not be unreasonably withheld, conditioned or delayed and shall be given or denied within five (5) business days following City receipt of written notification from the Developer identifying the proposed tenants/buyers.

C. [§ 703] Subdivision Maps

Within the times established respectively therefor in the Schedule of Performance (Attachment No. 3), the Developer, if required by the City, shall prepare and use diligent and good faith efforts to obtain approval from the City of any "Subdivision Maps" required for the development of the Sales parcel and the Participating Parcel as the Site and cause the recordation of such Subdivision Maps as appropriate. Wherever used herein the term Subdivision Maps shall include the processing of all related documents and drawings as well as related public right-of-way vacations and dedications necessary and/or appropriate for the development of the Site.

The City shall cooperate with the Developer to obtain approval from the City of any Subdivision Maps. Any Subdivision Maps shall also be subject to approval by the City.

D. [§ 704] Landscape Maintenance Assessment

The Developer shall comply with all terms and conditions set forth in any established or subsequently established landscape maintenance assessment district.

E. [§ 705] Assessment District

The Developer shall comply with all terms and conditions set forth in any established or subsequently established assessment district.

F. [§ 706] Reciprocal Easement Agreements

[Reserved]

G. [§ 707] Employment and Training Requirements

Notwithstanding anything contained in this Agreement and the Attachments to the contrary, the Developer, for itself as well as any and all successors-in interest to the Site, hereby agrees to comply and/or cause the compliance with the contracting as well as employment and training requirements set forth in the Employment and Training Requirements, which is attached to this Agreement as Attachment No. 6.

H. [§ 708] Removal of Site from Los Angeles County Property Tax Rolls

Moreover, and notwithstanding anything contained in this Agreement and the Attachments to the contrary, the Developer, for itself as well as any and all successors-in interest to the Site, hereby acknowledge and agree that City participation is predicated upon the development of the Site by the Developer and the continued operation of the Site and all portions thereof, remaining on the Los Angeles County Property Tax Rolls during the duration of the Redevelopment Plan, as it may be extended, or five years following the issuance of the Release of Construction Covenants by the City to the Developer pursuant to Section 324 of this Agreement, whichever is longer (the "Effective Period") , and that neither it nor any of its successors-in interest to the Site, or any portion thereof, shall remove or cause the removal of the Site or any portion thereof, from the Los Angeles County Property Tax Rolls during the Effective Period except in the event of a purchase of the Site or any portion thereof, pursuant to an eminent domain case filed against the Site. In the event of such removal in violation of this Section 708, the Developer, any and all successors-in interest to the Site (as applicable), shall be fully responsible for the payment of the "Additional Purchase Price" as set forth in the Grant Deed (Attachment No. 5) and Agreement Containing Covenants Affecting Real Property (Attachment No. 7).

I. [§ 709] Agreement Containing Covenants Affecting Real Property

The Developer hereby agrees to execute for recordation with the Los Angeles County Recorder's Office that certain Agreement Containing Covenants Affecting Real Property (the "Covenant Agreement") in the form attached hereto as Attachment No. 7 and establishing certain development standards and requirements for the Participating Parcel in accordance with the requirements of this Agreement. The Covenant Agreement is fully incorporated herein by this reference.

VIII. [§ 800] ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

This Agreement shall be executed in five duplicate originals each of which is deemed to be an original. This Agreement includes forty-four (44) pages and eight (8) attachments which constitute the entire understanding and agreement of the parties.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the Site.

None of the terms, covenants, agreements or conditions set forth in this Agreement shall be deemed to be merged with the grant deed conveying title to the Site and this Agreement shall continue in full force and effect with respect to the Site from the date on which this Agreement is executed by the City until a Release of Construction Covenants for the Site (or applicable portion thereof) as provided in Section 324 is recorded.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or the Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of the City and the Developer and/or any of the Developer's lenders for the Site.

This Agreement and any provisions hereof may be amended by mutual written agreement by Developer and the City and any such lender, and such amendment shall not require the consent of any other fee owner, tenant, lessee, easement holder, licensee, or any other person or entity having an interest in the Site.

IX. [§ 900] TIME FOR ACCEPTANCE OF AGREEMENT BY CITY; DATE OF AGREEMENT

This Agreement, when executed by the Developer and delivered to the City, must be authorized, executed and delivered by the City to the Developer within sixty (60) days after this Agreement is signed by the Developer, or this Agreement may be terminated by the Developer on written notice to the City. The effective date of this Agreement shall be the date it is signed by the City.

CITY OF INGLEWOOD
(City)

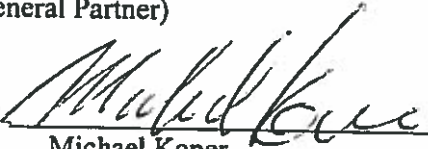
Dated: 1/31/2012

By: 
Mayor

K.P. AUTO CENTER, L.P.
a California Limited Partnership
(Developer)

By: Koper Car Corporation
a California corporation
(General Partner)

Date: 1/31/12

By: 
Michael Koper
President

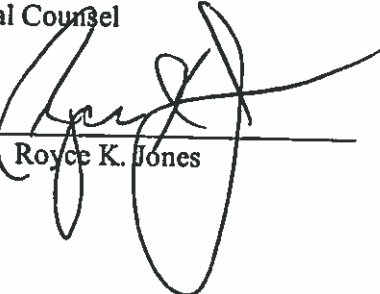
APPROVED AS TO FORM AND
LEGALITY ON THIS 31st
day of January, 2012.

CAL P. SAUNDERS
City Attorney

By: 
Cal P. Saunders

APPROVED:

KANE, BALLMER AND BERKMAN
Special Counsel

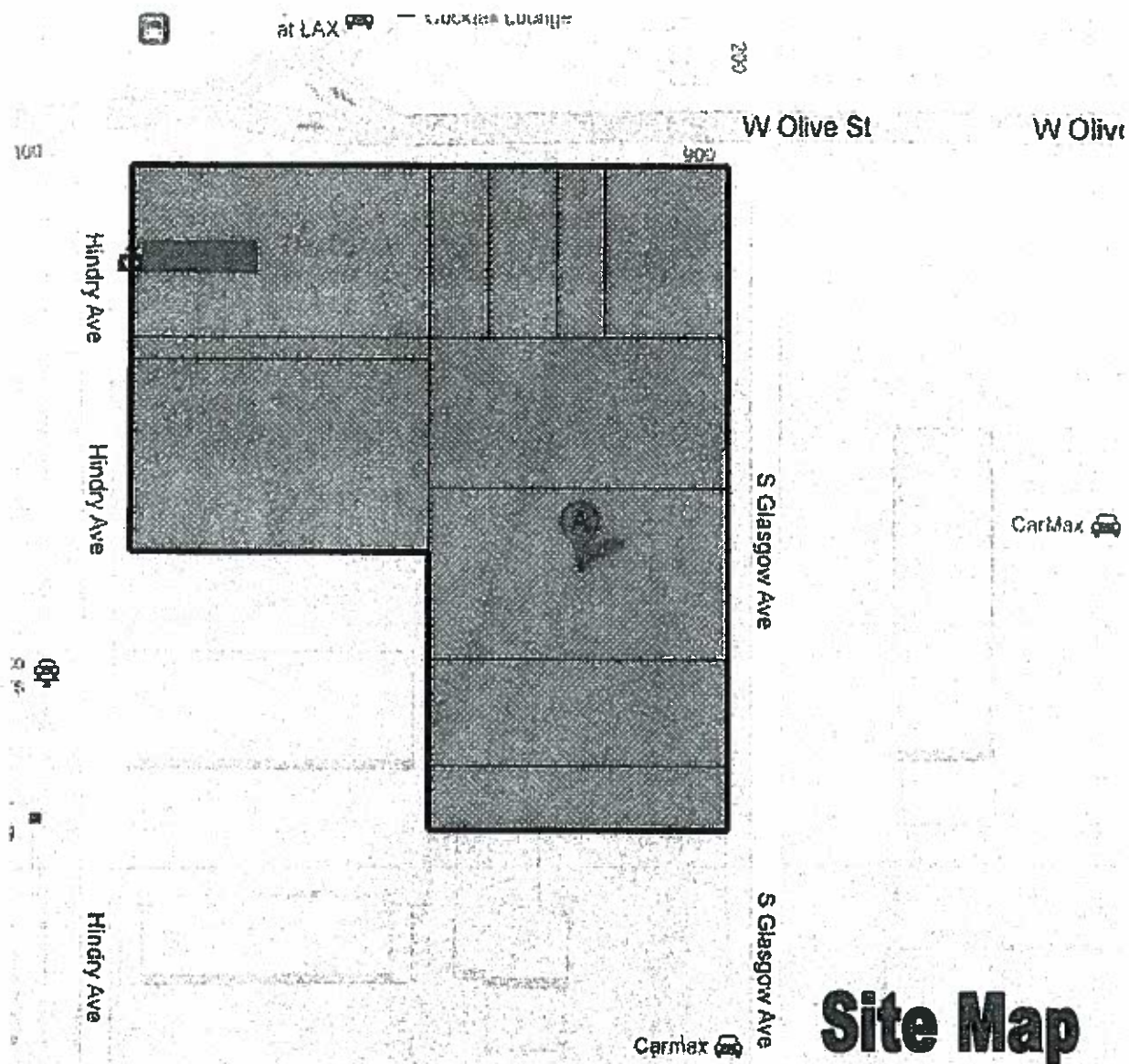
By: 
Royce K. Jones

ATTEST:

CITY CLERK

By: _____
Yvonne Horton

Attachment 1



Auto Mall Site

Establishment of a new automobile dealership comprised of new construction of a one-story 10,375 square-foot building and a existing new automobile dealership comprised of a one-story 20,400 square-foot building used as an automobile showroom and offices and a 15,197 one-story square-foot building used for automobile service and repair on an approximately 4.32 acre C-3 (Heavy Commercial) and M-1 (Light Manufacturing) site comprised of 11 parcels.

308 HINDRY AVE (APN 4126-008-005), No Address Available (APN 4126-008-006),
 324 HINDRY AVE (APN 4126-008-007), 916 W OLIVE ST (APN 4126-008-901),
 912 W OLIVE ST (APN 4126-008-902), 900 W OLIVE ST (APN 4126-008-904),
 327 S GLASGOW AVE (APN 4126-008-905), 347 S GLASGOW AVE (APN 4126-008-906),
 920 W OLIVE ST (APN 4126-008-907), 315 S GLASGOW AVE (APN 4126-008-908), and
 343 S GLASGOW AVE (APN 4126-008-909)

Attachment 1A

LEGAL DESCRIPTION

Real property in the City of Inglewood, County of Los Angeles, State of California, described as follows:

PARCEL 1:

THE WEST 50 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-907

PARCEL 2:

THE EAST 50 FEET OF THE WEST 100 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-901

PARCEL 3:

THE EAST 41 FEET OF THE WEST 141 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-902

PARCEL 4:

LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE WEST 141 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-904

PARCEL 5:

LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE SOUTH 55 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-908

PARCEL 6:

THE NORTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF

EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 7:

THE SOUTH 55 FEET OF LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 8:

THE NORTH 55 FEET OF LOT 38 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-906

PARCEL 9:

THE SOUTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-909

ATTACHMENT NO. 2

METHOD OF FINANCING

I. DEVELOPER'S PURCHASE PRICE

A. Amount of Purchase Price

The Developer shall pay to the City a purchase price for the Sales Parcel in the amount of One Million Three Hundred Thousand Dollars (\$1,300,000) (the "Purchase Price").

B. Payment of Purchase Price for the Sales Parcel

The Purchase Price to be paid for by the Developer for the Sales Parcel shall be deposited into the escrow (Section 200 of the Agreement) within the time and in the manner required by the Schedule of Performance (Attachment No. 3), to be disbursed to the City upon the conveyance of title or possession of the Sales Parcel to the Developer.

II. EXCESS PURCHASE PRICE

Moreover, notwithstanding anything contained herein to the contrary, in the event that in violation of the Agreement, the Developer assigns the Agreement or any of the rights therein, or does sell, transfer, convey or assign any part of the Sales Parcel or the buildings or structures thereon prior to the issuance of the Release of Construction Covenants, the City shall be entitled to the "Excess Purchase Price" (as defined in Section 108 of the Agreement) and until paid, shall have a lien on the Site and any portion thereof, in the amount of the Excess Purchase Price. Any such lien shall be subordinate and subject to mortgages, deeds of trust or other security instruments executed for the sole purpose of obtaining funds to develop the Site (or portion thereof) as authorized in the Agreement.

III. ADDITIONAL PURCHASE PRICE

Moreover, notwithstanding anything contained herein to the contrary, the Developer acknowledges and agrees that the development and private ownership of the Site is essential to the effective redevelopment and financing of redevelopment activity within the Project Area. As such, the Developer hereby agrees on behalf of itself and any successors-in-interest of the Site, that upon the sale of the Site or any portion thereof, resulting in the removal of the Site or any portion thereof, from the Los Angeles County property tax roll, an "Additional Purchase Price" shall be fully due and payable to the City by the Developer or its successor-in-interest upon the close of escrow of such sale in accordance with Section 708 of the Agreement and Paragraph 4(b) of the Grant Deed (Attachment No. 5) and Paragraph 3(b) of the Agreement Containing Covenants Affecting Real Property (Attachment No. 7). Until paid in full, the City shall have a lien on the Site and/or the applicable portion thereof,

in the entire amount of the Additional Purchase Price. Any such lien shall be subordinate and subject to mortgages, deeds of trust or other security instruments executed for the sole purpose of obtaining funds to purchase and develop the Site (or portion thereof) as authorized in the Agreement.

III. PUBLIC FINANCING

The City shall have no responsibility (financial or otherwise) for construction and development of any of the improvements on the Site. Nor shall the City have any responsibility (financial or otherwise) for the installation of any public improvements required as part of the development of the Site. All such

IV. DEVELOPER'S GOOD FAITH DEPOSIT

The Developer shall deposit with the City within five (5) days following written notice from the City indicating that it has approved the Agreement, the sum of Fifty Thousand Dollars (\$50,000) as a good faith deposit (the "Deposit"). The Deposit shall be fully refundable to the Developer or, at the discretion of the Developer, applied towards the Basic Purchase Price of the Site upon the conveyance of the Site to the Developer by the City. However, notwithstanding anything contained herein and in the Agreement to the contrary, in the event the Agreement is terminated prior to the time for the conveyance of the Site to the Developer by the City as established in the Schedule of Performance, Attachment No. 3 of the Agreement, and the Developer is not in default of the Agreement at such time of the subject termination, then \$25,000 of the Deposit shall be retained by the City and applied towards various City costs (regardless of the actual amount of such costs) with the remaining \$25,000 returned or refunded to the Developer within forty-five (45) days following the termination date of the Agreement. Interest on the returned amount of the Deposit shall only be payable by the City to the extent and rate that interest was paid and received by the City on the Deposit.

In the event of a termination of the Agreement prior to the time for the conveyance of the Site to the Developer by the City as established in the Schedule of Performance, Attachment No. 3 of the Agreement, and the Developer is in default of the Agreement at the time of such termination, then the City shall be entitled to and shall retain the entire amount of the Deposit, and the City shall be entitled to pursue any and all additional remedies set forth in Section 500 et seq., of the Agreement. Notwithstanding the foregoing, in the event of an award of monetary damages to the City due to a Developer default, the entire amount of the Deposit shall be credited against such damages. However, under no circumstances shall any portion of the Deposit be returned to the Developer in the event of a Developer default.

In the event of a termination of the Agreement prior to the time established in the Schedule of Performance, Attachment No. 3 of the Agreement, for the conveyance of the Site to the Developer by the City, and the City is in default of the Agreement at the time of such termination, then the entire amount of the Deposit shall be returned or refunded to the Developer within forty-five (45) days following the termination date of the Agreement, and the Developer shall be entitled to pursue any and all additional remedies set forth in Section 500 et seq., of the Agreement.

The City shall be under no obligation to pay or earn interest on the Deposit. However, any interest accrued, earned or paid thereon shall be payable to the Developer along with the Deposit.

Both the City and the Developer acknowledge the following:

THAT MINIMUM DAMAGES MAY BE PAID TO THE CITY FROM THE DEPOSIT AS A RESULT OF THE FAILURE OF THE DEVELOPER TO PERFORM CERTAIN ACTS AND OBLIGATIONS REQUIRED OF IT UNDER THE AGREEMENT. THE CITY AND DEVELOPER ARE AWARE OF AND UNDERSTAND THE PROVISIONS OF CALIFORNIA CIVIL CODE ' ' 1671 AND 1676 PERTAINING TO LIQUIDATED DAMAGES, AND AGREE THAT PURSUANT TO CIVIL CODE '3389, THE DEVELOPER IS WILLING TO PAY SUCH DAMAGES SHOULD IT BE IN DEFAULT OF THE PROVISIONS OF THIS AGREEMENT. THEREFORE, THE CITY AND THE DEVELOPER MUTUALLY AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX ACTUAL MINIMUM DAMAGES TO THE CITY IN CASE OF SUCH FAILURES OF THE DEVELOPER, AND THAT THE AMOUNT SET FORTH HEREIN AS THE DEPOSIT IS A REASONABLE ESTIMATE OF THE TOTAL DAMAGES WHICH THE CITY WOULD SUFFER. THE RETENTION BY THE CITY OF ANY OF THE DEPOSIT AS DAMAGES SHALL, THEREFORE, BE THE CITY=S SOLE REMEDY AGAINST THE DEVELOPER UPON TERMINATION BY THE CITY AS SET FORTH ABOVE AND ANY OF THE DEVELOPER=S DEPOSIT RETAINED BY THE CITY SHALL THEREAFTER BE THE PROPERTY OF THE CITY WITHOUT ANY DEDUCTION, OFFSET, OR RECOUPMENT (OR ANY RIGHT THEREOF) WHATSOEVER.

City's Initials _____ Developer's Initials _____

Attachment No. 2A

Project Budget

Land Area	acres	square feet	Totals
	2.70	117,612	
<u>SITE WORK CONSTRUCTION COSTS</u>			
Site Grading	\$10,000	per acre	27,000
Site Utilities	\$37,000	per acre	100,000
Fill / Removal of non-compactable soil & fill with compactable			30,000
Site Paving	\$3.00	per sq ft	352,836
Lighting			150,000
Landscaping			90,000
Curbs, Gutters			80,000
Fencing			25,000
Signage			45,000
Offsite Development - Water / Sewer			60,000
Offsite Development - Storm Drainage			30,000
Offsite Development - Other		sidewalks	80,000
Contractor's Bond	--	1.50% of site work	16,048
Contractor's Overhead & Profit		15.00% of site work	160,475
Site Work Contingency		10.00% of site work	106,984
Subtotal			\$ 1,353,343
<u>BUILDING CONSTRUCTION COSTS</u>			
Building Construction	10,000	square feet @ \$125	1,250,000
Mechanical & Electrical & HVAC			125,000
Tenant Finish - Showrooms, Offices & Service		SF	90,000
Other Construction		SF	
Builders Risk insurance			
Landscaping		Included in the above	
Permanent signage			
Insurance			5,000
Temporary Signage			5,000
Contractor's Bond			0
General Conditions	1.50%		
Contractor Overhead & Profit			
Construction Contingency	15.00%		
Other Equipment	10.00%		
All Permits - Building, Electrical, Utility, etc			95,000
Subtotal			\$ 1,570,000
<u>DESIGN & ENGINEERING COSTS</u>			
Design			20,000
Landscape Design			6,000
Allow for Other Design & Engineering			5,000
Civil Engineering			25,000
Other - Design & Engineering - Mechanical & Electrical			12,000
Material Testing			2,000
Subtotal			\$ 70,000
<u>OTHER DEVELOPMENT COSTS</u>			
Blueprints & Copies			750
Progress Photos			250
Development Fee - Design & Soft Costs			55,000
Misc Operating Expenses			
Subtotal			\$ 56,000
TOTAL DEVELOPMENT COSTS (before land cost)			\$ 3,049,343

ATTACHMENT NO. 3

SCHEDULE OF PERFORMANCE

I. GENERAL PROVISIONS

- | | |
|--|---|
| 1. <u>Execution of Agreement by City.</u> City shall hold a public hearing on the Agreement, shall authorize execution and execute the Agreement and shall deliver the Agreement to Developer. | Within sixty (60) days after the Agreement is executed by Developer and submitted to City. |
| 2. <u>Submission - Architect, Landscape Architect and Civil Engineer.</u> Developer shall submit to City for approval of the names and qualifications of its Architect, Landscape Architect, and Civil Engineer. | Within sixty (60) days after the Agreement is executed by Developer and submitted to City. |
| 3. <u>Approval - Architect, Landscape Architect and Civil Engineer.</u> City shall approve or disapprove the Architect, Landscape Architect, and Civil Engineer. | Within thirty (30) days after receipt by the City. |
| 4. <u>Submission - Basic Concept Drawings.</u> Developer shall prepare and submit to City for approval the Basic Concept Drawings and related documents for the Site. | Prior to or concurrent with execution of the Agreement by the Developer. |
| 5. <u>Approval - Basic Concept Drawings.</u> City shall approve or disapprove Basic Concept Drawings and related documents for the Site. | Within thirty (30) days after receipt by the City. |
| 6. <u>Delivery of Good Faith Deposit.</u> Developer shall deliver to City its good faith deposit in the amount and form required by Section B. of the Method of Financing (Attachment No. 2). | Within five (5) days following written notice from the City that it has approved the Agreement. |
| 7. <u>Access for Soils Investigation.</u> City shall provide Developer with access to the Site for soils investigations pursuant to Section 212 of the Agreement. | Within five (5) days after written request from the Developer. |

8. Determination of Soil Conditions. Developer shall commence preliminary work to determine whether the soil conditions on the Site are suitable for the development thereon pursuant to Section 214 of the Agreement.

Within ninety (90) days after execution of the Agreement by City.

II. PREDEVELOPMENT ACTIVITIES

1. Submission - Preliminary Subdivision Map. Developer shall commence and diligently attempt to obtain approval from the City of the Preliminary Subdivision Maps with respect to the Site.

Within ninety (90) days after City execution of the Agreement.

III. CONVEYANCE AND CONSTRUCTION

1. Submission - Schematic/Design Development Drawings. Developer shall prepare and submit to City the Schematic/Design Development Drawings for the Site.

Within ninety (90) days after approval of the Basic Concept Drawings by the City.

2. Approval - Schematic/Design Drawings. City shall approve or disapprove the Schematic//Design Development Drawings for the Site.

Within thirty (30) business days after receipt by City.

3. Submission - Preliminary Construction Drawings, and Preliminary Landscaping and Grading Plans. Developer shall prepare and submit to City the Preliminary Construction Drawings and Preliminary Landscaping and Grading Plans for the Site.

Within sixty (60) days after City's approval of Schematic/Design Development Drawings for the Site.

4. Approval - Preliminary Construction Drawings, and Preliminary Landscaping and Grading Plans. City shall approve or disapprove the Preliminary Construction Drawings and Preliminary Landscaping and Grading Plans for the Site.

Within thirty (30) days after receipt by City.

5. Submission - 50% Final Construction Drawings and Landscaping and Finish Grading Plans. Developer shall prepare and submit to City 50% Final Construction Drawings and Landscaping and Finish Grading Plans for the Site.

Within forty-five (45) days after City approval of the Preliminary Construction Drawings.
6. Approval - 50% Final Construction Drawings and Landscaping and Finish Grading Plans. City shall approve or disapprove the 50% Final Construction Drawings and Landscaping and Finish Grading Plans for the Site.

Within thirty (30) days after receipt by City.
7. Submission - Final Construction Drawings and Landscaping and Finish Grading Plans. Developer shall prepare and submit the Final Construction Drawings and Specifications and the Final Landscaping and Finish Grading Plans for the Site.

Within sixty (60) days after City approval of the 50% Final Construction Drawings
8. Approval - Final Construction Drawings and Landscaping and Finish Grading Plans. City shall approve or disapprove the Final Construction Drawings and Specifications and the Final Landscaping and Finish Grading Plans for the Site.

Within thirty days after receipt by City, but in any event prior to conveyance of title or possession of the Sales Parcel.
9. Evidence of Financing. Developer shall submit to City Developer's first submission of evidence of financing referred to in Section 215 of the Agreement with respect to the Site.

At least sixty (60) days prior to the date established herein for the conveyance of title or possession of the Sales Parcel to Developer. Any additional submission shall be made within thirty (30) days following City written notice to Developer that an additional submission is required.

Developer shall submit to City Developer's second submission of evidence of financing referred to in Section 215 of the Agreement with respect to the Site.

At least fifteen (15) days prior to the date established herein for the conveyance of title or possession of the Site to Developer. Any additional submission shall be made within thirty (30) days following City written notice to Developer that an additional submission is required.

10. Approval of Financing. City shall approve or disapprove each submission of Developer's evidence of financing with respect to the Site, and shall so notify Developer.

With respect to the first submission, within ten (10) business days after receipt of such submission by City.

With respect to the second submission, within five (5) business days following receipt of the submission by the City, but in any event prior to the conveyance of title or possession of the Site to the Developer.

11. Opening of Escrow. City shall open an escrow for conveyance of the Sales Parcel.

At least thirty (30) days prior to the date established herein for conveyance of title or possession of the Sales Parcel to Developer.

12. Conveyance of Title. City shall convey title and/or possession to Developer, and Developer shall accept such conveyance, with respect to the Sales Parcel.

Within ten (10) business days after City issuance of a final grading permit and approval of the Final Construction Drawings by the City, whichever is later.

13. Commencement of Construction. Developer shall commence grading on the Site.

Within thirty (30) days after conveyance by the City of title and/or possession to Developer of the Sales Parcel and issuance of the necessary permits, but in no event longer than sixty (60) days following conveyance of title and possession of the Sales Parcel.

14. Commencement of Construction of Public Improvements.

Concurrently with the commencement of construction as set forth above.

- | | | |
|-----|---|---|
| 15. | <u>Completion of Construction.</u> Developer shall complete construction of the improvements on the Site. | Within twenty-four (24) months after conveyance of title or possession of the Sales Parcel to Developer. |
| 16. | <u>Tentative Subdivision Map.</u> To the extent required by the City, Developer shall commence and diligently attempt to obtain approval from the City of the Tentative Subdivision Map for the development of the Site. | On or before the conveyance of the Sales Parcel to the Developer by the City. |
| 17. | <u>Final Subdivision Map.</u> To the extent required by the City, Developer shall commence and diligently attempt to obtain approval from the City of the Final Subdivision Map for the development of the Site, which shall be recorded. | Prior to the issuance by the City of a Certificate of Occupancy for any use to be operated upon the Site, or any portion thereof. |

ATTACHMENT NO. 4

SCOPE OF DEVELOPMENT

I. GENERAL DESCRIPTION

The "Site" is comprised of certain parcels of City-owned real property consisting of approximately 2.72 acres (the "Sales Parcel") and certain parcels of Developer-owned real property consisting of approximately 1.57 acres (the "Participating Parcel"), all of which located within the City of Inglewood. Both the Sales Parcel and the Participating Parcel are referred to herein as the "Site". The total size of the Site (or the combined size of the Sales Parcel and the Participating Parcel) is approximately 4.29 acres. The Site is currently zoned as C-3 and M-1 and shall be developed by the Developer as an automobile sales and retail center (the "Project"). The Project consists of the development and redevelopment of certain improvements on land area of approximately 186,872 square feet (or about 4.29 acres) which will include an automobile sales and retail center for the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square feet and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto (collectively, the "Improvements"). All of the Improvements to be constructed and developed on the Site by the Developer shall be of high architectural quality, well landscaped, and effectively and aesthetically designed. The shape, scale, exterior design, and exterior finish of the improvements to be developed on the Site must be consonant with, visually as well as physically related to, and an enhancement to the adjacent residential neighborhood.

The Developer's plans, drawings and proposals submitted to the City for approval shall describe in reasonable detail the architectural character intended for the improvements. The total development of the Site shall be in conformity with the Redevelopment Plan. The provisions, design criteria, and property development standards set forth in this Scope of Development apply to the Site, except where specifically indicated otherwise.

II. DEVELOPER IMPROVEMENTS

A. General

The Developer shall develop on the Site as an approximately 186,872 square feet (or about 4.29 acres) of automobile sales and retail center as more specifically described above. However, notwithstanding anything contained herein to the contrary, should the Developer, despite its diligent and good faith efforts, not be able to obtain the necessary entitlements from the City to construct the approximate amount of square footage contemplated herein, the Developer shall construct on the Site the maximum amount of square footage permitted by the City. The Improvements to be developed on the Site shall be of high architectural quality with landscaped areas effectively and aesthetically

designed. The Improvements shall also be developed in accordance with all applicable zoning and other land use regulations.

B. Site Improvements

The Developer shall be responsible for construction of all site improvements listed below to the specifications and acceptance of the City consistent with the approved Basic Concept Drawings. The Improvements shall include, but not be limited to:

1. Site

Landscaping and Irrigation system
Earthwork (Preliminary and Finish Grading)
Perimeter and interior fencing, if desired by the Developer

2. Sewer (On-Site) and Connections to the Sewer in the Public Right-of-Way

3. Water

On-site fire protection mains and domestic service including meters and connection thereof to water lines in the public right-of-way, as required by the City.

4. Private Storm Drain System (On-Site), if an additional system is required by the City of Inglewood.

5. Utilities

On-Site electric power, gas, telephone and other utility requirements of the development, and any extraordinary off-site utility requirements of the development.

All Improvements and related items shall be performed in accordance with all technical specifications, standards, and practices of the City of Inglewood along with all applicable building codes. The Developer's plans for such improvements shall be submitted to the City for review and approval (or disapproval) prior to advertising for bids.

C. Urban Design Standards, Controls and Restrictions

Standards, controls and restrictions regarding construction and development, including, but not limited to, maximum land coverage, setbacks and building construction shall be in accordance with applicable City Codes, as amended from time to time.

All on-site and off-site elements shall be subject to design review by the City in accordance with the procedures set forth in this Agreement. The Developer shall conform to the following standards of design in establishing the urban design concept, architectural and landscaping features for the Site.

The City's approval of the Final Construction Drawings and Landscaping and Finish Grading Plans shall be deemed to be an acknowledgment of compliance with the design standards and limitations contained in this Section C.

1. Architectural Standards

The architecture of all structures shall maintain a high quality of architectural design and establish visual continuity with existing and proposed developments within the Redevelopment Project area.

(a) Form and Scale

The structures on the Site shall combine a form and scale which are compatible with the adjoining land uses, and the street environment.

(b) Street Level Design

The facades as seen from the street shall be such that the shape, exterior design and exterior finish of the structures are consonant with and visually related to each other and compatible with any similar surrounding developments.

(c) Building Materials

Building materials of a high quality expressing the character of Inglewood's physical environment and climate shall be used in all buildings and structures developed on the Site. Other materials may also be considered, excluding corrugated aluminum and iron.

(d) Energy Considerations

Energy efficient features shall be incorporated into the design of the development including passive energy conservation methods. The Developer will be required to demonstrate consideration of energy features as a part of the design review process.

(e) Refuse Containers

Refuse containers shall be screened from public view with fencing and landscaping.

(f) Signs

All public signs on the exteriors of buildings and structures are of special concern to the City. All signs must be approved by the City and must comply with applicable City Codes.

(g) Outdoor Storage

No material, equipment, supplies or products shall be stored or permitted to remain outside on the Site unless prior written approval is obtained from the City. If any outdoor storage is allowed, it shall be screened from the public view with fencing and landscaping. Chain link fencing shall not be permitted as a screening material.

(h) Graffiti

The Developer shall design the development so as to discourage graffiti problems, and to establish a maintenance program for graffiti removal if the development is subjected to graffiti. All graffiti on the Site shall be removed by the Developer within two (2) business days after application.

2. Siting and Land Use Standards

(a) Structure Locations

The location of the structures shall relate to and take advantage of the developments surrounding the Site. Special attention shall be placed on designing the structures so as not to have a negative impact on the area in general.

(b) Structure Heights

The height of all structures developed on the Site shall be in accordance with applicable City Codes.

(c) Noise

All buildings and structures on the Site shall be located so as to minimize the noise impact on adjacent areas. Loading facilities and other similar activities shall be designed with this concern in mind.

3. Streetscape Design Standards

(a) Landscaping

Developer shall provide and maintain landscaping within public rights-of-way between the property line of each building lot and the curb line of adjacent streets. All landscaping shall be integrated with the existing landscaping for adjacent sites in the Project Area and consistent with the requirements of applicable City Codes. Landscaping includes such materials as paving, trees, shrubs, and other plant materials, landscape containers, top soil, soil preparation, automatic irrigation, and landscape and pedestrian lighting.

Landscaping shall carry out the objectives and principles of the City's desire to accomplish an aesthetically pleasing environment.

(b) Vehicle Access

Driveways and parking lots shall be coordinated with the design of pedestrian access. Truck parking and loading shall be limited to the Site.

(c) Pedestrian Access

The Site shall be developed such that pedestrian access is provided to the Site.

(d) Utilities

The Developer shall be responsible for all on-site utility installations and connections necessary or appropriate to develop the Site. Such utilities shall include but not be limited to the bringing of sanitary sewers, curb inlets, certain channel connections and headwall (not the responsibility of the City), sewer mains, water mains, manholes, sewer laterals, water laterals, gate valves, fire hydrants, electrical power, water supply, telephone, and gas facilities, all as required by

the City and for the development of the Site by the Developer. All utility services shall be underground or concealed within buildings to the extent permitted by appropriate utility companies and utility districts. No mechanical equipment or meters shall be left exposed in yard areas or on roofs.

(e) Views

All Improvements shall be sited to minimize the impact of the buildings and structures on the views of existing structures surrounding the Site. Special attention shall be placed on minimizing the impact on the adjacent area.

(f) Building Coverage

Minimum building setbacks shall be in conformance with applicable City Codes and Basic Concept Drawings approved by the City.

(g) Open Space

The Site shall satisfy all open space requirements of the City of Inglewood for standard auto center and retail-related developments.

(h) Rooftops

Exposed duct work for heating and cooling and all mechanical equipment and other roof structures on all buildings and structures on the Site whose roof area is visible from surrounding structures or proposed structures, pedestrian ways, streets, etc., shall be screened from the direct view of such surrounding structures in a manner approved by the City. Nothing contained in this paragraph or the Agreement shall be construed to require Developer to install any air conditioning units, evaporative coolers or other cooling equipment.

(i) Parking Location

Except as otherwise provided herein, all parking for the development shall be located within the boundaries of the Site.

(j) Lighting

Street, parking lot and pedestrian lighting shall be provided in accordance with standards established by the City. All lighting shall be shaded so as to minimize the impact upon the adjacent area.

(k) Handicap Access

Developer shall design and construct all of the Improvements on the Site in compliance with all laws with respect to ingress and egress access ways for handicapped persons, as required by applicable codes.

(l) Public Improvement Repair

The Developer shall make all street repairs caused by the development of the Improvements on the Site. All such repairs shall be at the Developer's expense and shall be constructed in accordance with the technical specifications, standards, and practices of the City.

(m) Construction

During construction of the Improvements on the Site, the Developer shall take all reasonable precautions to minimize dust and disturbance to adjacent properties caused by such construction. The Developer shall work normal working hours in accordance with applicable City codes and regulations.

D. Removal and/or Remedy of Soil and/or Water Contamination

Following the conveyance of the Site to the Developer by the City and subject to remediation obligations of the City, if any, as provided in Section 212 of the Agreement, the Developer shall (at its own cost and expense) remove and/or otherwise remedy as required by all applicable laws, implementing rules and regulations, and in a manner sufficiently to adequately protect the public health and safety (including the health and safety of occupants of the Site and adjacent properties), any and all contaminated or hazardous soil and/or water conditions on the Site. Such work shall include without limitation the following:

- a. Remove (and dispose of) and/or treat any contaminated soil and/or water on the Site (and adjacent public rights of way which the Developer is required to improve) as necessary to comply with applicable governmental standards and requirements.

- b. Design and construct all improvements on the Site in a manner which will assure protection of occupants and all improvements from any contamination, whether in vapor or other form, and/or from the direct and indirect effects thereof.
- c. Prepare a site safety plan and submit it to the appropriate governmental and other authorities for approval in connection with obtaining a building permit for the construction of improvements on the Site. Such site safety plan shall assure workers and other visitors to the Site of protection from any health and safety hazards during development and construction of the improvements. Such site safety plan shall include monitoring and appropriate protective action against vapors and/or the effect thereof.
- d. Obtain from the County of Los Angeles and/or California Regional Water Quality Control Board and/or any other authorities required by law any permits or other approvals required in connection with the removal and/or remedy of soil and/or water contamination, in connection with the development and construction on the Site.

The Developer agrees that the City, and its consultants and agents, shall have the right (but not the obligation) to enter upon the Site at any time to monitor the excavation and construction on the Site and each parcel thereof, to test the soils and/or water on the Site, and to take such other actions as may be reasonably necessary to assure compliance with this Section D of the Scope of Development (Attachment No. 4). Nothing herein (including without limitation the City's right to inspect) shall be construed to make the City or its officers, employees, contractors and agents liable for the responsibilities under Section 216 of the Disposition and Development Agreement (the "Agreement") and this Section D. However, notwithstanding the foregoing sentence, in no event shall the above sentence be construed by any of the parties to the Agreement so as to preclude the Developer from asserting any rights or claims it may have against any prior owner of the Site (other than the City) relative to the clean-up and/or remediation of any hazardous material on the Site pursuant to this Section D and Section 216 of the Agreement.

E. Equal Opportunity Program

a. Non-discrimination Clause

The Developer shall not discriminate against any employee or applicant for employment on any basis prohibited by law. The Developer shall provide equal opportunity in all employment practices. The Developer shall ensure

that their subcontractors comply with the City of Inglewood's "Equal Employment Opportunity Program" as set forth in the City of Inglewood Municipal Code.

b. Equal Employment Opportunity

The Developer has received, read, understands and agrees to be bound by the "Equal Employment Opportunity Program and all policies and procedures implementing the Program, contained in the Equal Employment Opportunity Packet provided by the City.

c. The Developer acknowledges receipt of the Employment and Training Requirements attached to the Agreement as Attachment No. 6.

III. DEVELOPER PUBLIC IMPROVEMENTS

The Developer shall be responsible for the financing and constructing of all of the on-site and off-site public improvements necessary for the development of the Improvements on the Site (the APublic Improvements@). The Public Improvements shall be constructed and developed in accordance with plans reviewed and approved by the City and the City, as appropriate.

IV. CITY OBLIGATIONS

The City shall have no obligation (financially or otherwise) with respect to the construction and development of the Improvements on the Site.

V. EASEMENTS

The City and the Developer shall grant and permit all necessary and appropriate easements and rights for the development of the Site including, but not limited to, easements and rights of vehicular access, pedestrian access and all utility services on such terms and conditions as City and Developer may agree.

VII. ENVIRONMENTAL REVIEW

The City shall be responsible for causing the preparation of all environmental review and documents necessary for the development of the Site. In addition, the City shall be responsible for certification of any environmental documents in connection with the approval of the development provided for herein. However, notwithstanding the foregoing, the Developer shall be responsible for the payment of all such environmental costs and shall also be responsible for preparing any and all supplemental environmental documents required to carry out the Agreement subsequent to the approval of the Final Map for the development of the Site. The Developer agrees to cooperate with

the City in the preparation of any such environmental and/or environmental-related documents and shall fully comply with all mitigation measures set forth therein.

EXHIBIT 1

SITE PLAN
[To be Added]

Attachment No. 4

ATTACHMENT NO. 5

Recording Requested by:

CITY OF INGLEWOOD

When Recorded Return to and
Mail Tax Statements to:

SPACE ABOVE THIS LINE FOR RECORDING USE

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged the CITY OF INGLEWOOD, the State of California, herein called "Grantor," acting to carry out the Redevelopment Plan for the Merged Inglewood Redevelopment Project Area (La Cienega Sub-area) (the "Project Area") herein called "Redevelopment Plan," under the Community Redevelopment Law of the State of California, hereby grants to K.P. AUTO CENTER, L.P., a California Limited Partnership, herein called "Grantee," the real property hereinafter referred to as the "Property," described in the document attached hereto, labeled Exhibit "A" and incorporated herein by this reference.

(1) Grantor excepts and reserves any existing street, proposed street, or portion of any street or proposed street lying outside the boundaries of the Property which might otherwise pass with a conveyance of the Property.

(2) Said Property is conveyed in accordance with and subject to the Redevelopment Plan for the Merged Inglewood Redevelopment Project which was approved and adopted on February 26, 2002 by Ordinance Nos. 02-07, 02-08, 02-09 and 02-10 of the City Council of the City of Inglewood, and the Disposition and Development Agreement (the "Agreement") entered into by and between Grantor and Grantee on _____, both of which documents are public records on file in the offices of the City Clerk of the City of Inglewood and the Secretary of Grantor, and are by reference thereto incorporated herein as though fully set forth herein.

(3) The Property is conveyed to Grantee at a purchase price herein called "Purchase Price," determined in accordance with the uses permitted. Therefore, Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that Grantee, such successors and such assigns, shall develop, maintain, and use the Property only as follows:

Koper-DDA-At5
1/8/12
Final

- (a) The Property shall be devoted only to the development permitted and the uses specified in the applicable provisions of the Redevelopment Plan and this Grant Deed, whichever document is more restrictive.
- (b) There shall be constructed upon the Property and the contiguous real property hereinbelow described in paragraph (3)(d), approximately 186,872 square feet (or about 4.29 acres) with an automobile sales and retail center including the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square feet and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto (the "Improvements"), all in accordance with plans and specifications prepared by the Grantee and approved by the Grantor.
- (c) During construction and thereafter, Grantee shall maintain the improvements on the Property and in the public rights-of-way (curb to property line) on all sides of the Property and shall keep the Property and such public rights-of-way free from any accumulation of debris or waste materials. During construction and thereafter, Grantee shall also maintain the required landscaping on the Property and in such public rights-of-way in a healthy condition.
- (d) The Property shall only be developed and used as specifically set forth herein and in conjunction with that certain contiguous real property presently owned by the Grantee in the City of Inglewood, County of Los Angeles, State of California legally described in the attached Exhibit "B". However, notwithstanding anything contained in this Grant Deed to the contrary, the development and use restrictions established by this Paragraph 3(d) shall remain in effect during the duration of the Redevelopment Plan, as it may be extended, or five years following the issuance by Grantor to Grantee of the Release of Construction Covenants provided for in Section 324 of the Agreement, whichever is sooner.
- (e) Grantee and all persons claiming under or through them, including without limitation tenants, lessees, subtenants, sublessees and any other operator of a business on the Property, or any portion thereof, shall comply with the Employment and Training Requirements (the "Job Training Program") which attached to the Agreement as Attachment No. 6 and fully incorporated herein by this reference.
- (f) Grantee shall not store any materials, equipment, supplies or products outside the buildings and structures developed on the Property unless prior written approval is obtained from the City. If any outdoor storage is approved, it shall be screened from the public view with fencing and landscaping. Chain link fencing shall not be permitted as a screening material.

The Property is also conveyed to Grantee by virtue of substantial public aids that have been made available by law for the specific purpose of redeveloping the Property (and the contiguous real property referred to in paragraph (3) (d) above), including without

Koper-DDA-A15
1/8/12
Final

limitation the use and/or pledge of expected receipts of ad valorem property tax revenues allocated to the City pursuant to Article XVI, Section 16 of the California Constitution and Health & Safety Code §§ 33670 et seq. Therefore, Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that Grantee, such successors and such assigns, shall not, during the effectiveness of the Redevelopment Plan, as it may be extended, or five years following the issuance of the Release of Construction Covenants by the Grantor to the Grantee pursuant to Section 324 of the Agreement, whichever is longer: (i) remove the Property or any portion thereof, from the Los Angeles County tax Roll; or (ii) contest the validity or the amount, in part or in full, whether by property tax assessment appeal or otherwise, of any property tax assessment imposed upon the Property (or any interest therein) by the Los Angeles County Assessor or other official responsible for such assessments, which is the basis for property taxes which it is obligated to pay in connection with its ownership of any interest in the Property, and which contest would result in a property tax assessment applicable to any parcel comprising the Property and/or the contiguous real property referred to in paragraph (3)(d) above.

(4) Prior to the recordation of a Release of Construction Covenants issued by Grantor for the improvements to be constructed on the Property or on any part thereof:

(a) Grantee shall not make any sale, transfer, conveyance or assignment of the Property or any part thereof, or the buildings or structures thereon, without the prior written approval of Grantor, except as expressly permitted by the Agreement. In the event that Grantee does sell, transfer, convey or assign any part of the Property or buildings or structures thereon, prior to the recordation of a Release of Construction Covenants, in violation of this Grant Deed, Grantor shall be entitled to increase the Purchase Price paid by Grantee for the Property by the amount that the consideration payable for such sale, transfer, conveyance or assignment is in excess of the Purchase Price paid by Grantee, and the cost of improvements and development theretofore made to the Property and the contiguous real property, including carrying charges and costs related thereto. The consideration payable for such sale, transfer, conveyance or assignment to the extent it is in excess of the amount so authorized shall belong and be paid to Grantor and until paid Grantor shall have a lien on the Property and any part involved for such amount. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, nor shall it prohibit granting any security interests permitted by paragraph (4) (b) of this Grant Deed for financing the acquisition and development of the Property. The lien created hereby shall be subordinate and subject to any such security interests.

(b) However, notwithstanding anything to the contrary, in the event that any such sale, transfer, conveyance or assignment of the Property or any part thereof or the buildings or structures thereon results in the removal of the Property or any portion thereof, from the Los Angeles County Property Tax Roll as set forth above in Paragraph 3 and more specifically described in Section 708 of the Agreement, the Grantee and/or its successors-in-interest shall pay the Additional Purchase Price to the Grantor with respect to either the Property or the applicable portion thereof, upon the close of escrow regarding such sale and in the amount set forth in Exhibit C which is attached hereto and fully incorporated herein by this reference. Until paid, the Grantor shall have a lien on the Property or the applicable portion

thereof, in the amount of the Additional Purchase Price. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, entry by Grantee into or exercise of its rights under spaces leased within improvements on the Property nor shall it prohibit granting any security interests permitted by paragraph 4(b) of this Grant Deed for financing the acquisition and development of the Property. The lien created hereby shall be subordinate and subject to any such security interests.

- (c) Grantee shall not place or suffer to be placed on the Property any lien or encumbrance other than mortgages, deeds of trust, conveyances and leases back or any other form of conveyance required for any reasonable method of financing of the acquisition of the Property and the contiguous real property referred to in paragraph (3)(d) above, the construction of improvements on the Property and the contiguous real property, and any other expenditures necessary and appropriate to develop the Property and the contiguous real property as permitted by the Agreement. Grantee shall notify Grantor in advance of any such conveyance for financing if Grantee proposes to enter into the same prior to recordation of a Release of Construction Covenants for the improvements to be constructed on the Property and the contiguous real property. Grantee shall not enter into any such conveyance for financing without prior written approval of Grantor, which approval Grantor agrees to give if any such conveyance is to a responsible financial or lending institution or other acceptable person or entity.

(5) Prior to the recordation of a Release of Construction Covenants issued by Grantor for the improvements to be constructed on the Property or on any part thereof:

- (a) Grantor shall have the right at its option to reenter and take possession of the Property hereby conveyed (or portion thereof) with all improvements thereon, and to terminate and rivets in Grantor the Property hereby conveyed (or portion thereof) to Grantee if Grantee (or its successors in interest) shall:
 - (i) Fail to commence construction of the improvements on the Property and/or the contiguous real property referred to in paragraph (3)(d) above, as required by the Schedule of Performance (Attachment No. 3) of the Agreement provided that Grantee shall not have obtained an extension or postponement from Grantor; or
 - (ii) Abandon or substantially suspend construction of the improvements on the Property and/or the contiguous real property referred to in paragraph (3) (d) above, for a continuous period of three (3) consecutive months after written notice of such abandonment or suspension from Grantor, provided that Grantee shall not have obtained an extension or postponement to which Grantee may be entitled pursuant to the Agreement; or
 - (iii) Assign or purport to assign the Agreement, or any rights therein, or transfer, or suffer any involuntary transfer of, the Property, or the contiguous real property referred to in paragraph (3)(d) above, or any part thereof, in violation of this Grant Deed, and such violation shall not be cured within thirty

(30) days after the date of the receipt of written notice thereof by Grantor to Grantee.

- (b) The right to reenter, repossess, terminate and revest, and the provisions below regarding the application of proceeds, shall be subject to and be limited by and shall not defeat, render invalid, or limit:
 - (i) Any mortgage or deed of trust or other security interest permitted by paragraph (4)(b) of this Grant Deed; or
 - (ii) Any rights or interests provided for the protection of the holders of such mortgages, deeds of trust, or other security interests.
- (c) The right to reenter, repossess, terminate and revest shall not apply to the Property, or portions thereof, for which a Release of Construction Covenant has been issued by Grantor and recorded,
- (d) Subject to the rights of holders of security interests as stated in this paragraph (5), in the event title to the Property or any part thereof is revested in Grantor as provided in this paragraph (5), Grantor shall, pursuant to its responsibilities under state law, use its diligent and good faith efforts to resell the Property or such part thereof as soon and in such manner as Grantor shall find feasible and consistent with the objectives of such law and of the Redevelopment Plan to a qualified party or parties (as determined by Grantor) who will assume the obligation of making or completing the improvements or such other improvements in their stead as shall be satisfactory to Grantor and in accordance with the uses specified for such Property or part thereof in the Redevelopment Plan. Upon such resale of the Property and satisfaction of obligations owed to the holder of any mortgage, deed of trust or other security interest authorized by the Agreement, the proceeds thereof shall be applied:
 - (i) First, to reimburse Grantor, on its own behalf or on behalf of the City of Inglewood for all substantiated costs and expenses incurred by Grantor, including but not limited to salaries to personnel engaged in such action, in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by Grantor from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges, if any and if applicable, with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by Grantor, then such taxes, assessments, or charges, as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of Grantee, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the agreed improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing to Grantor by Grantee and its successor or transferee; and

- (ii) Second, to reimburse Grantee, its successor or transferee, up to the amount equal to: the sum of (1) the Purchase Price paid to Grantor by Grantee for the Property (or allocable to the part thereof), and (2) the costs incurred for the development of the Property (or such part thereof) and for the improvements existing thereon at the time of reentry and repossession; less (3) any gain or income withdrawn or made by Grantee from the Property (or such part thereof) or from the improvements thereon. For purposes of this paragraph the term "cost incurred" shall include direct, out-of-pocket expenses of development, but shall exclude Grantee's general overhead expense.
 - (iii) Any balance remaining after such reimbursements shall be a retained by Grantor as its property.
- (e) To the extent that this right of reverter involves a forfeiture, it must be strictly interpreted against Grantor, the party for whose benefit it is created. This right is to be interpreted in light of the fact that Grantor hereby conveys the Property to Grantee for development and not for speculation in undeveloped land.
- (6) Grantee covenants and agrees for itself, its successors, its assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed,, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall Grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.
- (7) All deeds, leases or contracts made relative to the Property, improvements thereon, or any part thereof, shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:
 - (a) In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices' of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."
 - (b) In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation, of any person or group of persons, on account of sex, sexual orientation,

marital status, race, color, creed, - religion, national origin or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall lessee itself, or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

- (c) In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

(8) All conditions, covenants and restrictions contained in this Grant Deed shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit and in favor of, and enforceable by Grantor, its successors, and assigns, and the City of Inglewood and its successors and assigns, against Grantee, its successors and assigns, to or of the Property conveyed herein or any portion thereof or any interest therein, and any party in possession or occupancy of said Property or portion thereof.

(9) The conditions contained in Paragraphs (4)(a), 4(c) and (5) of this Grant Deed, and all rights and obligations under the Agreement referred to in Paragraph. (2) hereof, shall terminate and become null and void upon recordation of a Release of Construction Covenant issued by Grantor for the Property or the applicable portion thereof. Except as otherwise set forth, every covenant, condition and restriction contained in this Grant Deed shall remain in effect during the duration of the Redevelopment Plan, as it may be extended, or five years following the issuance of the Release of Construction Covenants by the Grantor to Grantee pursuant to Section 324 of the Agreement, whichever is longer, at which time they shall terminate and become null and void. The covenants against removing the Property from the Los Angeles Tax Roll or contesting any property tax assessments imposed upon the Property shall remain in effect for the period of time set forth in the second full paragraph of paragraph (3) of this Grant Deed during which time, property taxes are allocated under the Redevelopment Plan pursuant to Section 33670. The covenants against discrimination set forth in paragraphs (6) and (7) of this Grant Deed shall remain in perpetuity.

(10) In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that Grantor shall be deemed a beneficiary of the agreements and covenants provided hereinabove both for and in its own right and also for the purposes of protecting the interests of the community. All covenants without regard to technical classification or designation shall be binding for the benefit of Grantor, and such covenants shall run in favor of Grantor for the entire period during which such covenants shall be in force and effect, without regard to whether Grantor is or remains an owner of any land or interest therein to which such covenants relate. Grantor shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions at law or suit in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant.

(11) No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage or deed of trust or security interest permitted by paragraph (4) (b) of this Grant Deed; provided, however, that any subsequent owner of the Property shall be bound by such remaining covenants, conditions, restrictions, limitations, and provisions, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

(12) None of the terms, covenants, agreements or conditions heretofore agreed upon in writing in other instructions between the parties to this Grant Deed with respect to obligations to be performed, kept or observed by Grantee or Grantor in respect to said Property or any part thereof after this conveyance of said Property shall be deemed to be merged with this Grant Deed until such time as a Release of Construction Covenant issued by Grantor is recorded for the Property conveyed hereby or such part thereof.

(13) The covenants contained in this Grant Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, except for the covenant and condition contained in paragraph (5) of this Grant Deed.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers hereunto duly authorized this ____ day of _____, 2012.

Grantor:

CITY OF INGLEWOOD
(City)

By: _____
Mayor

GRANTEE ACCEPTANCE

The Grantee hereby accepts the written deed, subject to all of the matters hereinbefore set forth.

Grantee-Developer:

K.P. AUTO CENTER, L.P.,
a California Limited Partnership
(Developer)

By: Koper Car Corporation,
a California corporation
(General Partner)

By: _____
Michael Koper,
President

Exhibit A

LEGAL DESCRIPTION

Real property in the City of Inglewood, County of Los Angeles, State of California, described as follows:

PARCEL 1:

THE WEST 50 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-907

PARCEL 2:

THE EAST 50 FEET OF THE WEST 100 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-901

PARCEL 3:

THE EAST 41 FEET OF THE WEST 141 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-902

PARCEL 4:

LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE WEST 141 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-904

PARCEL 5:

LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE SOUTH 55 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-908

PARCEL 6:

THE NORTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF

EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 7:

THE SOUTH 55 FEET OF LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 8:

THE NORTH 55 FEET OF LOT 38 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-906

PARCEL 9:

THE SOUTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-909

Exhibit B

DESCRIPTION OF PROPERTY

PARCEL 1:

LOTS 4 AND 17 EXCEPT FROM SAID LOT 17 THE SOUTH 150 FEET THEREOF, OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 32 AND THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 32, IN TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF INGLEWOOD, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THE SOUTH 150 FEET OF LOT 17 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AND THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 32, IN TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF INGLEWOOD, AS PER MAP RECORDED IN BOOK 36 PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

COMMONLY KNOWN AS 308-324 HINDRY, INGLEWOOD, CA
APN: 4126-008-005, -006, and -007

Exhibit "C"

ADDITIONAL PURCHASE PRICE CALCULATION

<u>Year</u>	<u>Required Payoff</u>
1	\$134,619
2	\$134,831
3	\$134,898
4	\$134,809
5	\$134,552
6	\$134,111
7	\$133,474
8	\$132,624
9	\$131,547
10	\$130,224
11	\$128,638
12	\$126,768
13	\$124,595
14	\$122,095
15	\$119,246
16	\$116,024
17	\$112,400
18	\$108,346
19	\$103,834
20	\$98,830
21	\$93,302
22	\$87,212
23	\$80,524
24	\$73,195
25	\$65,184
26	\$56,444
27	\$46,927
28	\$36,581
29	\$25,350
30	\$13,177

ATTACHMENT NO. 6

EMPLOYMENT AND TRAINING REQUIREMENTS

In cooperation with the City of Inglewood Redevelopment Agency, Employment Development Department, Workforce Investment Act Program and other City agencies, the Developer shall aid in the creation and development of a specialized job recruitment and training program in order to provide employment opportunities to Inglewood residents. The program shall maximize the availability and accessibility of employment in connection with the construction of the improvements on the Property and their subsequent operation. It shall be the goal of the Developer to award at least 30% of the construction work to minority contractors (reflecting the makeup of the Inglewood Community) with at least 50% of the 30% being awarded to local qualified Inglewood businesses. Furthermore, it shall be the goal of the Developer to maximize employment opportunities for the residents of Inglewood by extending reasonable preferences to such residents for employment opportunities created by the development with the overall goal of employing qualified Inglewood residents in a minimum of 35% of the jobs created. Special emphasis shall be placed on the creation of a partnership between the Developer, tenants of the project, and the City of Inglewood as the principal resources to achieve the aforesaid goal.

The Developer shall initiate the following actions/activities:

- a) The development of an overall employment plan which will identify the types of jobs to be created and salary levels for the positions. The Developer shall develop specific contract language to be included in the contracts of prime, subcontractors and tenants requiring their active participation and cooperation in the attainment of the goals stated above. The Developer, with the assistance of the Redevelopment Agency and City Departments, shall develop recruitment materials which will enable it to solicit participation from local business in the development of this project;
- b) The Developer shall require all tenants of the development

to develop employment plans, which shall specifically address their employment needs and identifies the positions which will be targeted to attain the employment goals stated above. The Developer shall work closely with the State of California's Employment and Development Department and Workforce Investment Act Program, to develop training programs to meet the employment needs of the tenants and/or to recruit potential employees from available labor pools that meet the employment criteria established by the tenants;

- c) The Developer shall establish a timetable that projects when particular phases of the project will be completed and estimate when recruitment efforts for new jobs will be initiated;
- d) The Developer shall support the recruitment efforts in order to achieve the local hiring goals established in overall and tenant specific employment plans including all publicity efforts;
- e) The Developer shall participate in the ongoing local planning efforts of the State of California's Employment Development Department and Workforce Investment Act Program. This participation may take the form of membership in the South Bay Work Force Investment Board or other formal advisory bodies that assist in program design as seen fit by the Developer and the City.

The Redevelopment Agency/City shall initiate the following actions/activities:

- a) The Redevelopment Agency/City shall work the Developer to develop training and recruitment programs to provide a qualified pool of Inglewood applicants who shall be provided reasonable preferences for employment positions created in connection with this development;
- b) The Redevelopment Agency/City shall work with the Developer to develop training and recruitment materials which will be used to solicit participation on the part of the minority business community in the development of this project. The Redevelopment Agency/City shall work

with the needs identified by the tenants for the development to create a trained labor pool which exceeds, at a minimum, 10% of the required number of positions available for employment;

- c) The Redevelopment Agency/City shall provide its list of minority contractors to the Developer which, to the greatest extent possible, shall be used, in conjunction with other resources, to solicit qualified contractors to work on this project.
- d) The Redevelopment Agency/City, will, if necessary, conduct job fairs or other recruitment efforts, in conjunction with the Developer, to make sure that every conceivable effort is generated to attract the required qualified labor pool to assist in the attainment of the goals of this Agreement.

AUDIT AND COMPLIANCE

The Developer shall annually review its employment plan (i.e., Affirmative Action Plan) and make the necessary changes to improve its management and implementation. The City of Inglewood may perform unannounced visits to the site to verify information contained in the Developer's employment plan and to ensure that the requirements of the plan are being met. The Developer shall comply with the specific reporting requirements of the City of Inglewood. The audit and review system will include the following component:

- 1) The Developer will keep such records as are necessary to determine compliance with, and progress under the Affirmative Action Plan. These records will be designed to indicate (1) the number of minority subcontractors working on the development and (2) the progress being made in securing the services of minority group subcontractors.

ATTACHMENT NO. 7

Recording Requested by:

CITY OF INGLEWOOD

When Recorded Return to:

One Manchester Boulevard
Inglewood, California 90301
Attn: Redevelopment Manager

SPACE ABOVE THIS LINE FOR RECORDING USE

AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY

THIS AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY (the "Agreement") is entered into this _____ day of _____, 2012, by and between the CITY OF INGLEWOOD, (hereinafter referred to as "City") and K.P. AUTO CENTER, L.P., a California limited partnership (hereinafter referred to as "Developer") with reference to the following:

A. Developer is the present owner of that certain real property consisting of approximately 1.57 acres (the "Property") located in the City of Inglewood, County of Los Angeles, State of California and legally described in the Exhibit "A" attached hereto and fully incorporated herein by this reference.

B. The Property is also located within the Merged Inglewood Redevelopment Project area (the "Project Area") of the City of Inglewood and subject to the provisions of the Redevelopment Plan for the Project Area adopted by Ordinance Nos. 02-07, 02-08, 02-09, and 02-10 on February 26, 2002 by the City Council of the City of Inglewood.

C. This Agreement is entered into and recorded in accordance with the Redevelopment Plan and pursuant to the terms and provisions of that certain "Disposition and Development Agreement" entered into by and between City and Developer on _____, 2012 (the "DDA").

NOW, THEREFORE, CITY AND DEVELOPER AGREE AS FOLLOWS:

1. Developer hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that the Property shall be developed and used in accordance with the Redevelopment Plan and pursuant to the terms and provisions of the DDA.

Koper-DDA-At 7
1/8/12
Final

2. Developer hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that Developer, such successors and such assigns, shall develop, maintain, and use the Property only as follows:

- a. The Property shall be devoted only to the development permitted and the uses specified in the applicable provisions of the Redevelopment Plan and this Agreement to be Recorded Affecting Real Property, whichever document is more restrictive.
- b. There shall be constructed upon the Property and the contiguous real property hereinbelow described in paragraph 2.d., approximately 186,872 square feet (or about 4.29 acres) with an automobile sales and retail center including the sale of certain ancillary auto parts, auto parking and related uses contained in one (1) new building of approximately 10,000 square feet and the retrofitting of one (1) existing building of approximately 36,000 square feet with such paved and asphalted parking, as well as appropriate and necessary landscaping and parking pertinent thereto (the "Improvements"), all in accordance with plans and specifications prepared by the Developer and approved by the City and City of Inglewood.
- c. During construction and thereafter, Developer shall maintain the improvements on the Property and in the public rights-of-way (curb to property line) on all sides of the Property, and shall keep the Property and such public rights-of-way free from any accumulation of debris or waste materials. During construction and thereafter, Developer shall also maintain the required landscaping on the Property and in such public rights-of-way in a healthy condition.
- d. The Property shall only be used as herein provided in conjunction with that certain contiguous real property (the "Sales Parcel") conveyed to the Developer by the City pursuant to the terms of the DDA, located in the City of Inglewood, County of Los Angeles, State of California legally described in the attached Exhibit "B". However, notwithstanding anything contained in this Covenant Agreement to the contrary, the development and use restrictions established in this Paragraph 3(d) shall remain in effect throughout the duration of the Redevelopment Plan, as it may be amended or five (5) years following the issuance by the City of a Release of Construction Covenants provided for in Section 324 of the DDA, whichever is sooner. Both the Property and the Sales Parcel is sometimes collectively, referred to herein as the "Site."
- e. Grantee and all persons claiming under or through them, including without limitation tenants, lessees, subtenants, sublessees and any other operator of a business on the Property, or any portion thereof, shall comply with the Employment and Training Requirements (the "Job Training Program") which attached to the DDA as Attachment No. 6 and fully incorporated herein by this reference.
- f. Grantee shall not store any materials, equipment, supplies or products outside the buildings and structures developed on the Property unless

prior written approval is obtained from the City. If any outdoor storage is approved, it shall be screened from the public view with fencing and landscaping. Chain link fencing shall not be permitted as a screening material.

The Sales Parcel is conveyed to the Developer by virtue of and in accordance with the substantial public aids that have been made available by law for the purpose of redeveloping the Site including without limitation the use and/or pledge of expected receipts of ad valorem property tax revenues allocated to the City pursuant to Article XVI, Section 16 of the California Constitution and Health & Safety Code §§ 33670 et seq. (the "CRL") Therefore, Developer hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that Developer, such successors and such assigns, shall not during the effectiveness of the Redevelopment Plan, as it may be amended, or five (5) years following the issuance of the Release of Construction Covenants by the City to Developer pursuant to Section 324 of the DDA, whichever is sooner: (i) remove the Property or any portion thereof, from the Los Angeles County Tax Roll; or (ii) contest the validity or the amount, in part or in full, whether by property tax assessment appeal or otherwise, of any property tax assessment imposed upon the Property (or any interest therein) by the Los Angeles County Assessor or other official responsible for such assessments, which is the basis for property taxes which it is obligated to pay in connection with its ownership of any interest in the Property, and which contest would result in a property tax assessment applicable to any parcel comprising the Property and the contiguous real property referred to in paragraph 2.d. above.

3. Prior to the recordation of a Release of Construction Covenants issued by City for the improvements to be constructed on the Property or on any part thereof:

- a. Developer shall not make any sale, transfer, conveyance or assignment of the Property or any part thereof, or the buildings or structures thereon, without the prior written approval of the City, except as expressly permitted by the DDA. In the event that Developer does sell, transfer, convey or assign any part of the Property or buildings or structures thereon, prior to the recordation of a Release of Construction Covenants, in violation of the DDA or this Agreement. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, nor shall it prohibit granting any proposed and/or proposed lease agreements permitted by the DDA and/or security interests permitted by paragraph (3)(c) of this Agreement for financing the development of the Property.
- b. However, notwithstanding anything to the contrary, in the event that any such sale, transfer, conveyance or assignment of the Property or any part thereof or the buildings or structures thereon results in the removal of the Property or any portion thereof, from the Los Angeles County Property Tax Roll as set forth above in Paragraph 2 and more specifically described in Section 708 of the DDA and requires the payment of an Additional Purchase Price referred to in Paragraph (2)(d) above (sometimes referred to herein as the "Sales Parcel"), pursuant to the requirements of Section 708 of the DDA, the Developer and/or its successors-in-interest shall pay the Additional Purchase Price to the City with respect to either the Property or the applicable portion thereof, upon the close of escrow regarding such sale and in the amount set forth in Exhibit C which is attached hereto and fully incorporated herein by this reference. Until paid, the Grantor shall have a lien on the Property

or the applicable portion thereof, in the amount of the Additional Purchase Price. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, entry by Grantee into or exercise of its rights under spaces leased within improvements on the Property nor shall it prohibit granting any security interests permitted by paragraph 3(c) of this Agreement for financing the acquisition and/or development of the Property. The lien created hereby shall be subordinate and subject to any such security interests.

- .. c. Except as otherwise approved by the City, Developer shall not place or suffer to be placed on the Property any lien or encumbrance other than mortgages, deeds of trust, conveyances and leases back or any other form of conveyance required for any reasonable method of financing of the acquisition and/or development of the Property and the contiguous real property referred to in paragraph (3)(d) above, the construction of improvements on the Property and the contiguous real property, and any other expenditures necessary and appropriate to develop the Property and the contiguous real property as permitted by the DDA. Developer shall notify the City in advance of any such conveyance for financing if Developer proposes to enter into the same prior to recordation of a Release of Construction Covenants for the improvements to be constructed on the Property and the contiguous real property. Developer shall not enter into any such conveyance for financing without prior written approval of the City, which approval the City agrees to give if any such conveyance is to a responsible financial or lending institution or other acceptable person or entity.

4. Developer covenants and agrees for itself, its successors, its assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall Developer itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

5. All deeds, leases or contracts made relative to the Property, improvements thereon, or any part thereof, shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

- a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of sex, sexual orientation, marital status, race, color, creed, religion, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

- b. In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of sex, sexual orientation, marital status, race, color, creed, religion, national origin or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall lessee itself, or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

- c. In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of sex, sexual orientation, marital status, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

6. All conditions, covenants and restrictions contained in this Agreement shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit and in favor of, and enforceable by City, its successors and assigns, and the City of Inglewood and its successors and assigns, against Developer, its successors and assigns, to or of the Property or any portion thereof or any interest therein, and any party in possession or occupancy of said Property or portion thereof.

7. Except as otherwise set forth hereinbelow, every covenant and condition and restriction contained in this Agreement shall remain in effect for the duration of the Redevelopment Plan, as it may be extended, or five years following this issuance of the Release of Construction Covenants as set forth in Section 324 of the DDA, whichever is sooner, at which time said covenants and conditions become null and void. The covenant against contesting any property tax assessment imposed upon the Property shall remain in effect for the period of time set forth in the second full paragraph of Paragraph 2 of this Agreement during which time property taxes are allocated pursuant to the Redevelopment Plan and Section 33670 of the CRL. The covenants against discrimination set forth in Paragraphs 4 and 5 of this Agreement shall remain in perpetuity.

8. In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that City shall be deemed a beneficiary of the agreements and covenants provided hereinabove both for and in its own right and also for the purposes of- protecting the interests of the community. All covenants without regard to technical classification or designation shall be binding for the benefit of City and such covenants shall run in favor of City for the entire period during which such covenants shall be in force and effect, without regard to whether City is or remains an owner of any land or interest therein to which such covenants relate. City shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions at law or suit in equity or

other proper proceedings to enforce the curing of such breach of agreement or covenant.

IN WITNESS WHEREOF, City and Developer have caused this instrument to be executed on their behalf by their respective officers hereunto duly authorized this _____ day of _____, 2012.

CITY OF INGLEWOOD
(City)

By: _____
Mayor

K.P. AUTO CENTER, L.P.,
a California Limited Partnership
(Developer)

By: Koper Car Corporation,
a California corporation
(General Partner)

By: _____
Michael Koper
President

APPROVED AS TO FORM AND
LEGALITY ON THIS _____
day of _____, 2012.

CAL P. SAUNDERS
City Attorney

By: _____
Cal P. Saunders

Koper-DDA-At 7
1/8/12
Final

APPROVED:

KANE, BALLMER AND BERKMAN
Special Counsel

By: _____
Royce K. Jones

ATTEST:

CITY CLERK

By: _____
Yvonne Horton

Koper-DDA-At 7
1/8/12
Final

Exhibit "A" to Agreement Containing Covenants Affecting Real Property
between the City of Inglewood and K.P. Auto Center, L.P.

DESCRIPTION OF PROPERTY

EXHIBIT "A"

PARCEL 1:

LOTS 4 AND 17 EXCEPT FROM SAID LOT 17 THE SOUTH 150 FEET THEREOF, OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 32 AND THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 32, IN TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF INGLEWOOD, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THE SOUTH 150 FEET OF LOT 17 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AND THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 32, IN TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF INGLEWOOD, AS PER MAP RECORDED IN BOOK 36 PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

COMMONLY KNOWN AS 308-324 HINDRY, INGLEWOOD, CA
APN: 4126-008-005, -006, and -007

Exhibit "B" to Agreement Containing Covenants Affecting Real Property
between the City of Inglewood and K.P. Auto Center, L.P.

DESCRIPTION OF CONTIGUOUS PROPERTY

the "Sales Parcel"
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THE WEST 50 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST
QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF
AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE
NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH,
RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF
INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER
MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE
OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND
MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT
TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY
SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR,
REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED
WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE
MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT
PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET
OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL
ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO.
02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-907

PARCEL 2:

THE EAST 50 FEET OF THE WEST 100 FEET OF LOT 3 OF THE NORTH HALF OF
THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE
NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32
AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2
SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE
CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS
PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN
THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-901

Exhibit "B" to Agreement Containing Covenants Affecting Real Property
between the City of Inglewood and K.P. Auto Center, L.P.

PARCEL 3:

THE EAST 41 FEET OF THE WEST 141 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-902

PARCEL 4:

LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE WEST 141 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-904

PARCEL 5:

LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Exhibit "B" to Agreement Containing Covenants Affecting Real Property
between the City of Inglewood and K.P. Auto Center, L.P.

EXCEPTING THEREFROM THE SOUTH 55 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-908

PARCEL 6:

THE NORTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 7:

THE SOUTH 55 FEET OF LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE

Exhibit "B" to Agreement Containing Covenants Affecting Real Property
between the City of Inglewood and K.P. Auto Center, L.P.

COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 8:

THE NORTH 55 FEET OF LOT 38 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-906

Exhibit "B" to Agreement Containing Covenants Affecting Real Property
between the City of Inglewood and K.P. Auto Center, L.P.

PARCEL 9:

THE SOUTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST
QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND
THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH
HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14
WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN
BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE
COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-909

[COMMONLY KNOWN AS 912-920 OLIVE, INGLEWOOD, CA
APN: 4126008901, 902, 904-909.]

Exhibit "C" to Agreement Containing Covenants Affecting Real Property
between the City of Inglewood and K.P. Auto Center, L.P.

ADDITIONAL PURCHASE PRICE CALCULATION

<u>Year</u>	<u>Required Payoff</u>
1	\$134,619
2	\$134,831
3	\$134,898
4	\$134,809
5	\$134,552
6	\$134,111
7	\$133,474
8	\$132,624
9	\$131,547
10	\$130,224
11	\$128,638
12	\$126,768
13	\$124,595
14	\$122,095
15	\$119,246
16	\$116,024
17	\$112,400
18	\$108,346
19	\$103,834
20	\$98,830
21	\$93,302
22	\$87,212
23	\$80,524
24	\$73,195
25	\$65,184
26	\$56,444
27	\$46,927
28	\$36,581
29	\$25,350
30	\$13,177

ATTACHMENT NO. 8

RELEASE OF CONSTRUCTION COVENANTS

When Recorded Return to:

CITY OF INGLEWOOD
Economic Development Department
One Manchester Boulevard
Inglewood, CA 90301
Attn: Executive Director

SPACE ABOVE THIS LINE FOR RECORDING USE

OFFICIAL BUSINESS

Document Entitled to Free Recording
Per Government Code §27383

RELEASE OF CONSTRUCTION COVENANTS

WHEREAS, K.P. AUTO CENTER, L.P., a California Limited Partnership (the "Developer") is the owner of that certain real property situated in the City of Inglewood, California described in Exhibit "A" which is attached hereto and made a part hereof (the "Property"), and has agreed to construct the improvements thereon (the "Improvements"); and

WHEREAS, the Agreement Containing Covenants Affecting Real Property entered into by and between the City of Inglewood (the "City") and the Developer and recorded in the Official Records of Los Angeles County, California on _____, 2011 as Instrument No. _____ (the "Agreement Containing Covenants") obligates the Developer and its successors or assigns to construct the Improvements in accordance with the Disposition and Development Agreement ("DDA") dated as of _____, 2011 by and between the City and the Developer.

WHEREAS, pursuant to the DDA, the City has agreed to furnish the Developer with a Release of Construction Covenants ("Release") upon the completion of the construction of the Improvements, and such Release is to be in such form as to permit it to be recorded in the Official Records of Los Angeles County; and

WHEREAS, the DDA states that the Release shall be conclusive determination of satisfactory completion of the construction of the Improvements as required by the DDA; and

WHEREAS, the City has determined that the construction of the Improvements on the Property as required by the DDA has been satisfactorily completed by Developer.

NOW THEREFORE, it is hereby acknowledged and agreed by the parties hereto that:

1. The City hereby certifies that the construction of the Improvements on the Property has been fully and satisfactorily performed and completed as required by the DDA and the Agreement Containing Covenants.

2. Nothing contained in this instrument shall modify any provisions of the DDA or the Agreement Containing Covenants.

3. This Release shall constitute a conclusive determination of satisfaction of the agreements and covenants contained in the DDA requiring the Developer, and its successors and assigns, to construct the improvements and the dates for the beginning and completion thereof.

"CITY"
City of Inglewood

Date: _____

By: _____
James T. Butts, Jr.
Mayor

ATTEST:

By: _____
Yvonne Horton
City Clerk

APPROVED AS TO FORM:

CAL P. SAUNDERS
CITY ATTORNEY

By: _____
Cal P. Saunders

APPROVED

KANE, BALLMER & BERKMAN
Special Counsel

By: _____
Royce K. Jones

Exhibit A

LEGAL DESCRIPTION

Real property in the City of Inglewood, County of Los Angeles, State of California, described as follows:

PARCEL 1:

THE WEST 50 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-907

PARCEL 2:

THE EAST 50 FEET OF THE WEST 100 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-901

PARCEL 3:

THE EAST 41 FEET OF THE WEST 141 FEET OF LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-902

PARCEL 4:

EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 7:

THE SOUTH 55 FEET OF LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: A PORTION OF 4126-008-905

PARCEL 8:

THE NORTH 55 FEET OF LOT 38 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-906

LOT 3 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE WEST 141 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-904

PARCEL 5:

LOT 18 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE SOUTH 55 FEET THEREOF.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE AREA SUBJECT TO THE REDEVELOPMENT PLAN FOR THE MERGED LA CIENEGA REDEVELOPMENT PROJECT, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY THE DEFENDANTS IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 24, 2002 AS INSTRUMENT NO. 02-0954771 OF OFFICIAL RECORDS.

APN: 4126-008-908

PARCEL 6:

THE NORTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF

PARCEL 9:

THE SOUTH HALF OF LOT 23 OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 32, AS SHOWN ON THE MAP OF THE NORTH HALF AND THE SOUTH HALF OF NORTHWEST QUARTER SECTION 32 AND THE NORTH HALF OF SOUTHWEST QUARTER SECTION 32, TOWNSHIP 2 SOUTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGE 3 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4126-008-909

CALIFORNIA ACKNOWLEDGEMENT

State of California

County of _____)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

Appendix E

for

Long Range Property Management Plan
City of Inglewood, as Successor Agency to
the Former Inglewood Redevelopment Agency

License Agreement between
the Inglewood Redevelopment Agency and
K.P. Properties, Inc.

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "Agreement") is entered into as of the 16th day of January 2007 (the "Effective Date"), by and between **K. P. PROPERTIES, INC.**, a California corporation ("Licensee"), and **THE INGLEWOOD REDEVELOPMENT AGENCY**, a public body, corporate and politic ("Licensor").

RECITALS:

A. Licensor is the owner of certain real property located on Glasgow Avenue, across from Licensee's operations, in the City of Inglewood, California, as shown on Exhibit "A-1" attached hereto and incorporated herein (the "Property");

B. Licensee desires that Licensor grant Licensee a license for the exclusive use of the Property, pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of TEN and 00/100 DOLLARS, and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **RECITALS.** The foregoing recitals are true and correct, and are incorporated herein by reference.

2. **GRANT OF LICENSE; LICENSE FEE.** Subject to all terms and conditions contained within this Agreement, Licensor hereby grants to Licensee a license (hereinafter the "License") for the exclusive use of the Property as set forth herein, for a period of thirty (30) days (the "Initial Term") commencing on the Effective Date of this Agreement. The Initial Term of this Agreement shall automatically extend for successive thirty (30) day periods unless either party shall give written notice to the other of their election to terminate this Agreement. In the event either party shall elect to terminate this Agreement, this Agreement shall terminate five (5) business days following the receipt by the other party of such written notice. Licensee shall pay to Licensor, in exchange for the License, a fee (the "License Fee") in the amount of Two Thousand Dollars (\$2,000.00) per month, payable in advance on or before the Effective Date and each subsequent extension thereof. In the event the date of termination of this Agreement is not the last day of the Initial Term or an extension period, the License Fee shall be prorated based on the number of days in such period through the date of termination, and Licensor shall promptly reimburse Licensee for any portion of the License Fee which relates to periods after the date of termination.

3. **CONDITIONS OF LICENSE.** In addition to all other terms and conditions of this Agreement, the License shall be subject to the following terms and conditions:

(a) This Agreement is neither a lease nor a bailment. Accordingly, Licensee shall have no leasehold rights in and/or to the Property, nor shall Licensor owe any duty

or obligation whatsoever to Licensee in connection with the maintenance of the Property and/or safekeeping of Licensee or any property of Licensee on the Property.

(b) Licensee's rights under this License are limited solely to the personal use of the Property for vehicular parking by Licensee. Licensee shall have no rights pursuant to this Agreement or the License granted hereunder to use, and Licensor shall not use or permit the Property to be used for any purpose other than the purpose expressly set forth above.

(c) The License granted under this Agreement is not coupled with an interest, and is revocable at any time in accordance with paragraph 2, below.

(d) Licensor shall have no liability for any damage to person or property on the Property, or in connection with Licensee's use thereof, nor shall Licensor have any duty or obligation concerning or in connection with the maintenance of the Property or the safekeeping of person or personal property located thereon. Furthermore, Licensor shall have no liability for any damage either to person or property for any reason whatsoever, including, without limitation, any liability or damage arising out of or in connection with the Property or any part thereof or any appurtenances thereto being out of repair or any act or neglect of Licensor or any other person.

(e) Licensee hereby indemnifies, and holds Licensor and its agents, officers, affiliates, partners, and employees harmless from and against any and all costs, expenses, liabilities, claims, demands, and damages whatsoever incurred, imposed, or made upon Licensor or its agents, officers, affiliates, partners, or employees (including, but not limited to, attorneys' fees and court costs incurred at the trial and all appellate levels), as a result of or arising out of, whether directly or indirectly, any acts or omissions of Licensee, or in any way arising out of or in connection with the use of the Property by Licensee.

(f) Licensee shall have no right whatsoever to make any alterations or improvements to the Property, and is hereby prohibited from making any such alterations or improvements, including, without limitation, the posting of any signage thereon, or any changes to the Property. Licensee shall have the right to secure the Property, including the installation of any fence, gate or lock thereon.

(g) Notwithstanding anything to the contrary herein, Licensee shall not dispose of any materials on the Property which may be classified as hazardous or toxic in nature under any applicable federal, state, or local laws, rules, regulations or ordinances.

(h) Licensee shall at all times keep and maintain in effect liability insurance coverage pertaining to the use of the Property by Licensee, with minimum policy limits of not less than \$2,000,000.00, and shall provide Licensor with evidence of such insurance prior to the Effective Date. Licensor shall be named as additional insureds on any such policies.

(i) Upon the expiration or sooner termination of this Agreement, Licensee shall (a) have removed any vehicles, equipment or any other property of Licensee or which was placed on the Property by or through Licensee, (b) have repaired any damage to the Property caused by Licensee's use thereof.

5. NOTICES. Any notices under this Agreement shall be delivered to the applicable party at the following addresses:

If to Licensee: K. P. PROPERTIES, INC.
P. O. Box 593
Inglewood, CA 90307-0593
Attn: Michael Koper

If to Licensor: Inglewood Redevelopment Agency
One Manchester Boulevard
Inglewood, CA 90301
Attn: Executive Director

6. MISCELLANEOUS. This Agreement shall be governed by the following additional provisions:

(a) Licensee's rights hereunder are not assignable, or transferable in any way, and are personal to Licensee.

(b) This Agreement shall be construed and enforced in accordance with the laws of the State of California.

(c) In the event of any litigation arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and expenses incurred at the trial and all appellate levels.

(d) This Agreement represents the entire understanding of the parties in connection with the subject matter hereof, and may not be modified nor amended except by writing executed in accordance with the same formalities as this Agreement.

(e) This Agreement may not be recorded among any public records; any recording of this Agreement among any public records shall terminate this Agreement and the License granted hereunder immediately and without further notice.

(f) This Agreement may be signed in counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. A facsimile copy of this Agreement and any signatures hereon shall be considered for all purposes as originals.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

K. P. PROPERTIES, INC.

By: 

Name: Michael Koper

Title: President

INGLEWOOD REDEVELOPMENT
AGENCY

By: 

Name: Roosevelt F. Dorn

Title: Chairman

APPROVED AS TO FORM & LEGALITY:

CAL SAUNDERS

Acting Agency General Counsel

By: Cal P. Saunders

ATTEST:

By: 

Agency Secretary

Exhibit "A"

Property

[BEHIND THIS PAGE]

A1

100' 0"

100' 0"

100' 0"

PROJECT TITLE:

AUTO CENTER

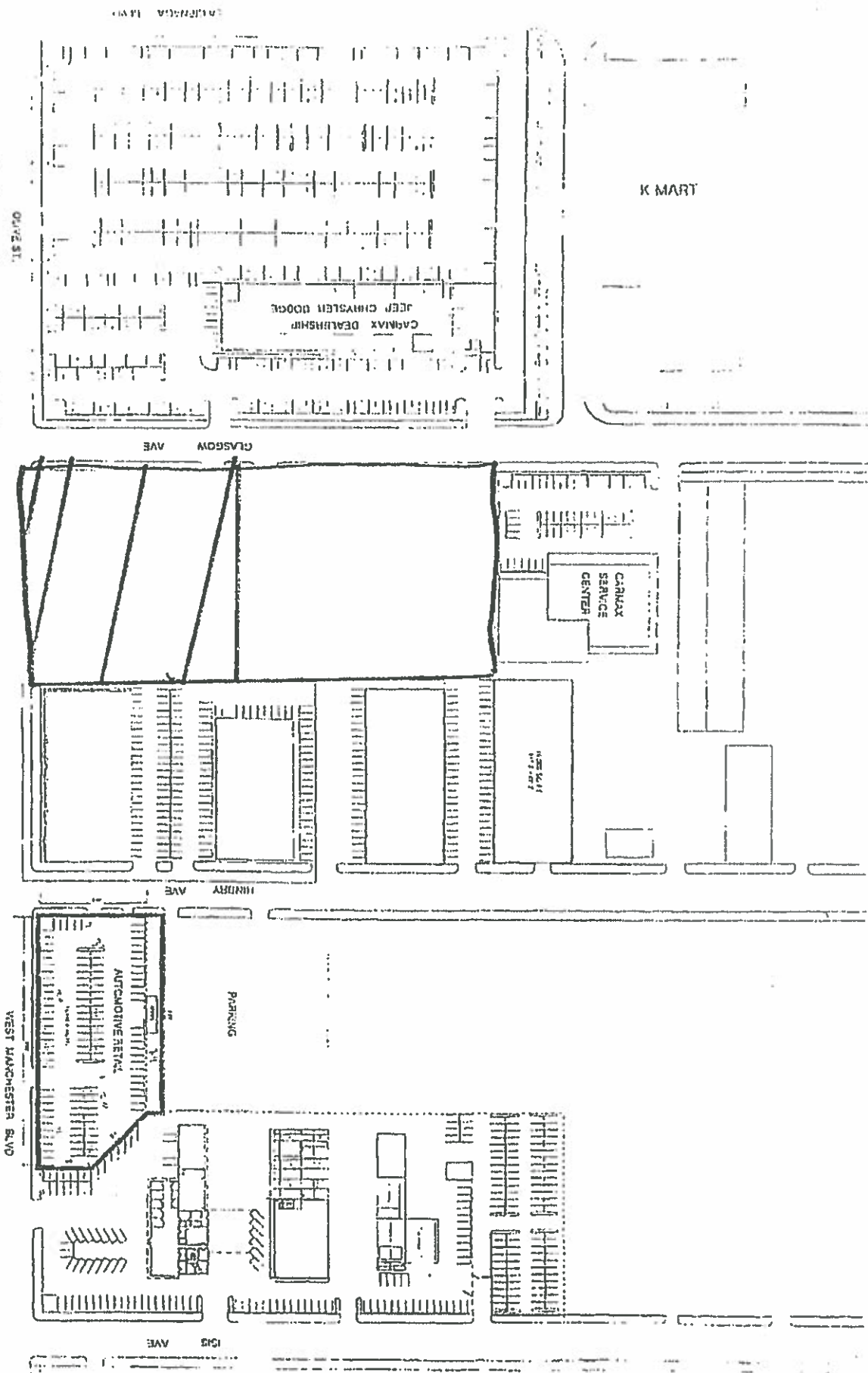
FAX: 310-671-4731

K P PROPERTIES

P.O. BOX 593

INGLEWOOD CA 90307-0593

PHONE: 310-671-4732



Brennan & Associates

Insurance Brokers

2000 Powell St. Suite 1111

Emeryville, CA 94608

Phone: 800-826-5550

Arrowhead: 909-337-9437

Fax: 909-337-8910

E-mail: thisisbob4insurance@hotmail.com

License No. 0649629

FAX COVER SHEET

DATE: February 14, 2007

Number of pages (inc. cover page) 5

TO: Bill Olsen
K. P. Properties

FAX#: 310 670 4253

FROM: Bob Hessler

Regarding: City of Inglewood

Here is the endorsement showing the City of Inglewood as additional insured and the certificate that includes the "Primary and Noncontributory" wording.

Let me know if you have any questions.

IF YOU DO NOT RECEIVE ALL PAGES, PLEASE CONTACT OUR OFFICE

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/09/2007

PRODUCER (510)547-7400 FAX (510)547-3159

Brennan & Associates
License # 0649629
2000 Powell St., #1111
Emeryville, CA 94608

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED K P Properties, Inc.
P.O. Box 593
Inglewood, CA 90307

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: Peerless Insurance Company
INSURER B: Commerce West Insurance Co.
INSURER C: Golden Eagle Insurance Corp.
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSTR. ADD'L TO INSTR.	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	CBP9875892	09/01/2006	09/01/2007	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMMOD AGG \$ 2,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CCV0350959	10/11/2006	10/11/2007	COMBINED SINGLE LIMIT (Per accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA AGG \$ AGG \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA AGG \$ AGG \$
C	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$	CU9876792	09/01/2006	09/01/2007	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/OWNER EXCLUDED? If yes, details under SPECIAL PROVISIONS below OTHER				WC STATIL TOBY LIMITS <input type="checkbox"/> OTH-ER R.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate Holder is named as Additional Insured as per endorsement CG2010 07/04 attached.

60 Days Notice of Cancellation is automatically provided under General Liability policy form.

Primary and Noncontributory wording is automatically provided under General Liability policy form.

Re: Parcel of land at S. Glasgow and W. Olive in Inglewood, CA

*Except for 10 Days for Non-Payment of Premium

CERTIFICATE HOLDER

CANCELLATION

City of Inglewood
1 Manchester
Inglewood, CA 90307

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

Additional Coverages and Factors

02/09/2001

Line of Business Coverages for Business Auto

Coverage	Limits	Ded/Ded Type	Rate	Premium	Factor
Combined single limit	1,000,000				
Medical payments	0				
Uninsured motorist combined single limit	100,000				
Uninsured motorist property damage		3,500			

Line of Business Coverages for General Liability

Coverage	Limits	Ded/Ded Type	Rate	Premium	Factor
General Aggregate	2,000,000				
Each Occurrence	1,000,000				
Medical Expense	5,000				
Products/Completed Ops Aggregate	2,000,000				
Personal & Advertising Injury	1,000,000				
Fire Damage	100,000				

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY
CG 20 10 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS - SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization: City of Inglewood
1 Manchester
Inglewood, CA 90301

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. Section II - Who Is An Insured is amended to include as an insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

In the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

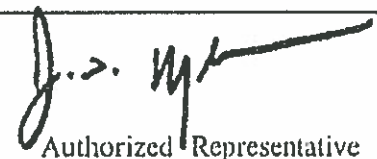
**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY
INFORMATION PAGE**

ITEM 1	Renewal of: C065135503 INSURED NAME AND MAILING ADDRESS K.P. PROPERTIES, INC. P.O. BOX 593 INGLEWOOD, CA 90307-0593 PHYSICAL LOCATION 319 HINDY AVENUE INGLEWOOD, CA 90301 PRODUCER 027307A 100 BRENNAN & ASSOCIATES 2000 POWELL STREET, SUITE 1111 EMERYVILLE, CA 94608	Policy Number: C100 C065135504 EC DIRECT BILL Policy Type: SPECIALTY MARKETS Line: NON-PARTICIPATING Entity: CORPORATION Billing Type: STIPULATED Frequency: MONTHLY FEIN: 95-4291992 OTHER WORKPLACES NOT SHOWN ABOVE: See WC-00-99-05 - ADDITIONAL LOCATION ENDORSEMENT											
ITEM 2	The Policy Period is from: 10/01/06 to: 10/01/07 12:01 A.M. standard time at the Insured's mailing address												
ITEM 3	<p>A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the states listed here: CALIFORNIA</p> <p>B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in item 3.A. The limits of our liability under Part Two are:</p> <table><tr><td>Bodily Injury By Accident</td><td>\$</td><td>1,000,000</td><td>Each Accident</td></tr><tr><td>Bodily Injury By Disease</td><td>\$</td><td>1,000,000</td><td>Each Employee</td></tr><tr><td>Bodily Injury By Disease</td><td>\$</td><td>1,000,000</td><td>Policy Limit</td></tr></table> <p>C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here: All states except states listed in item 3.A and NORTH DAKOTA, OHIO, WASHINGTON, WEST VIRGINIA, WYOMING</p> <p>D. See attached list for endorsements and schedules.</p>	Bodily Injury By Accident	\$	1,000,000	Each Accident	Bodily Injury By Disease	\$	1,000,000	Each Employee	Bodily Injury By Disease	\$	1,000,000	Policy Limit
Bodily Injury By Accident	\$	1,000,000	Each Accident										
Bodily Injury By Disease	\$	1,000,000	Each Employee										
Bodily Injury By Disease	\$	1,000,000	Policy Limit										
ITEM 4	<p>The premium for this policy will be determined by our manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.</p> <p>See endorsement WC-99-00-01: RATING SCHEDULE</p> <table><tr><td>Total Estimated Annual Premium</td><td>\$</td><td>17,125</td></tr><tr><td>Minimum Premium</td><td>\$</td><td>1,000</td></tr><tr><td>Deposit Premium</td><td>\$</td><td>2,937</td></tr></table>	Total Estimated Annual Premium	\$	17,125	Minimum Premium	\$	1,000	Deposit Premium	\$	2,937			
Total Estimated Annual Premium	\$	17,125											
Minimum Premium	\$	1,000											
Deposit Premium	\$	2,937											

Countersigned At: Los Angeles 002, CA On: 08/28/06 By:

WC-00-00-01A
(Ed. 07-00)

INSURED COPY


Authorized Representative

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/16/2007

PRODUCER (510)547-7400 FAX (510)547-3159
Brennan & Associates
License # 0649629
2000 Powell St., #1111
Emeryville, CA 94608

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

NAIC #

INSURED K P Properties, Inc.
P.O. Box 593
Inglewood, CA 90307

INSURER A: Peerless Insurance Company
INSURER B: Golden Eagle Insurance Corp.
INSURER C:
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADDL	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A		GENERAL LIABILITY	CBP9875892	09/01/2006	09/01/2007	EACH OCCURRENCE \$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Per occurrence) \$ 100,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 5,000
		GENL AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY \$ 1,000,000
		<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				GENERAL AGGREGATE \$ 2,000,000
		AUTOMOBILE LIABILITY				PRODUCTS - COMMOD AGG \$ 2,000,000
		<input type="checkbox"/> ANY AUTO				COMBINED SINGLE LIMIT (Per accident) \$
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per person) \$
		<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per person) \$
		<input type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident) \$
		<input type="checkbox"/> NON-OWNED AUTOS				
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
		<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
						AUTO ONLY AGG \$
B		EXCESS/UMBRELLA LIABILITY	CU9876792	09/01/2006	09/01/2007	EACH OCCURRENCE \$ 10,000,000
		<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$ 10,000,000
		<input type="checkbox"/> DEDUCTIBLE				\$
		RETENTION \$				\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STAT - POLY LIMIT \$
		ANY PROPRIETARY/INTERIM/EXECUTIVE OFFICER/MEMBER EXCLUDED?				OTL \$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$
		OTHER				E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

*Except 10 days for non payment of premium

CERTIFICATE HOLDER

City of Inglewood
1 Manchester
Inglewood, CA 90301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Robert Kessler

Additional Coverages and Factors

01/16/20

Line of Business Coverages for General Liability

Coverage	Limits	Ded/Ded Type	Rate	Premium	Fact
General Aggregate	2,000,000				
Each Occurrence	1,000,000				
Medical Expense	5,000				
Products/Completed Ops	2,000,000				
Aggregate					
Personal & Advertising	1,000,000				
Injury					
Fire Damage	100,000				

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

Inglewood



California

OFFICE OF THE CITY CLERK

Yvonne Horton
CITY CLERK


March 6, 2007

K. P. Properties Inc.,
P O Box 593
Inglewood, CA 90307
Attn: Michael Koper

Dear Mr. Koper:

Enclosed is the executed copy of Agreement No. R-07-003, with the City of Inglewood.

Sincerely,


Yvonne Horton
Secretary

mb/
Enclosure

2RD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/09/2007

PRODUCER (510)547-7400 FAX (510)547-3159
Brennan & Associates
License # 0649629
2000 Powell St., #1111
Emeryville, CA 94608

INSURED K P Properties, Inc.
P.O. Box 593
Inglewood, CA 90307

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Peerless Insurance Company	
INSURER B: Commerce West Insurance Co.	
INSURER C: Golden Eagle Insurance Corp.	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L TR INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	CDP9875892	09/01/2006	09/01/2007	EACH OCCURRENCE \$ 1,000,00
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Per occurrence) \$ 100,00
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 5,00
	GEN'L AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY \$ 1,000,00
	<input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				GENERAL AGGREGATE \$ 2,000,00
					PRODUCTS - COMPROP AGG \$ 2,000,00
B	AUTOMOBILE LIABILITY	CCV0350959	10/11/2006	10/11/2007	COMBINED SINGLE LIMIT (Per accident) \$ 1,000,00
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS				
	<input type="checkbox"/> NON-OWNED AUTOS				
	CARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: EA ACC \$
					ACC \$
C	EXCESS/UMBRELLA LIABILITY	CU9876792	09/01/2006	09/01/2007	EACH OCCURRENCE \$ 10,000,00
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$ 10,000,00
	<input type="checkbox"/> DEDUCTIBLE				\$
	RETENTION \$				\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS <input type="checkbox"/> OTHER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT \$
	If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$
	OTHER				E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate Holder is named as Additional Insured as per endorsement CG2010 07/04 attached.

10 Days Notice of Cancellation is automatically provided under General Liability policy form.

Primary and Noncontributory wording is automatically provided under General Liability policy form.

Except for 10 Days for Non-Payment of Premium

CERTIFICATE HOLDER

City of Inglewood
1 Manchester
Inglewood, CA 90301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing Insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

POLICY NUMBER: CIBP9875892

COMMERCIAL GENERAL LIABILITY
CG 20 10 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS - SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization: City of Inglewood
1 Manchester
Inglewood, CA 90301

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. Section II - Who Is An Insured is amended to include as an Insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

In the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Appendix F

for

Long Range Property Management Plan
City of Inglewood, as Successor Agency to
the Former Inglewood Redevelopment Agency

Fourth Quarter 2013 Groundwater Monitoring
Report prepared by Tetra Tech

Fourth Quarter 2013 Groundwater Monitoring Report

Glasgow Property
315 South Glasgow Avenue
Inglewood, California
(Site ID No. 2040388; File SCP No. 0746)

January 2, 2014

Prepared for:



City of Inglewood
Economic and Community Development Department
One Manchester Boulevard, Suite 450
Inglewood, California 90312

Prepared by:



Tetra Tech, Inc.
3475 East Foothill Boulevard
Pasadena, California 91107

Fourth Quarter 2013 Groundwater Monitoring Report

Glasgow Property
315 South Glasgow Avenue
Inglewood, California
(Site ID No. 2040388; File SCP No. 0746)

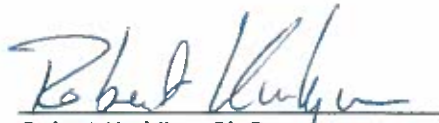
January 2, 2014

Prepared for:

City of Inglewood
Economic and Community Development Department
One Manchester Boulevard, Suite 450
Inglewood, California 90312

Prepared by:

Tetra Tech, Inc.
3475 East Foothill Boulevard
Pasadena, California 91107


Robert Kurkjian, Ph.D.
Principal Scientist


Wendy S. Arima, P.G.
Project Manager



TABLE OF CONTENTS

LIST OF FIGURES.....	ii
LIST OF TABLES.....	ii
APPENDICES.....	ii
ABBREVIATIONS AND ACRONYMS	iii
1. INTRODUCTION	1
1.1 Objective and Scope of Work.....	1
1.2 Report Organization	1
2. BACKGROUND	2
2.1 Site Location and Description.....	2
2.2 Site History.....	2
2.3 Previous Environmental Assessments	2
2.4 Regional Geologic and Hydrogeologic Setting	4
2.4.1 Topography	4
2.4.2 Site Geology	4
2.4.3 Site Hydrogeology.....	4
3. QUARTERLY GROUNDWATER MONITORING.....	6
3.1 Groundwater Level Monitoring	6
3.2 Groundwater Purging and Sampling	6
3.2.1 Low-flow Groundwater Well Purging.....	6
3.2.2 Sampling Procedures.....	6
3.2.3 Analytical Methods	7
3.2.4 Equipment Decontamination	7
3.2.5 Quality Assurance/Quality Control	7
3.2.5.1 Quality Assurance Samples	7
3.3 Investigation-derived Waste	8
3.4 3-Volume Well Purging and Sampling.....	8
4. FOURTH QUARTER 2013 GROUNDWATER MONITORING RESULTS	9
4.1 Groundwater Elevations	9
4.2 Groundwater Analytical Results.....	9
4.2.1 TPH – gasoline range organics.....	9
4.2.2 TPH – diesel range organics	9
4.2.3 TPH – oil range organics.....	9
4.2.4 VOCs.....	9
4.3 Quality Assurance/Quality Control Samples.....	10
4.3.1 Data Verification and Validation	10
5. DISCUSSION AND RECOMMENDATIONS.....	11
5.1 Discussion	11
5.2 Low-flow and 3-Volume Purging/Sampling Comparison Study Results	11
5.3 Recommendations	12

ABBREVIATIONS AND ACRONYMS

ATL	Advanced Technology Laboratories
°C	degrees Celsius
bgs	below ground surface
CDWR	California Department of Water Resources
DCA	dichloroethane
DCE	dichloroethene
DO	dissolved oxygen
DTGW	depth to groundwater
EB	equipment blank
EC	electrical conductivity
Eco and Associates	Eco and Associates, Inc.
ft	feet
GWM	groundwater monitoring report
IDW	investigation-derived wastes
LARWQCB	Los Angeles Regional Water Quality Control Board
L/min	liters per minute
mg/L	milligrams per liter
µg/L	micrograms per liter
MSL	mean sea level
MTBE	methyl tertiary butyl ether
NTU	nephelometric turbidity unit
ORP	oxidation reduction potential
PCE	tetrachloroethene
PQL	practical quantitation limit
QA/QC	quality assurance/quality control
SOW	scope of work
TB	trip blank
TCA	trichloroethane
TCE	trichloroethene
Tetra Tech	Tetra Tech, Inc.
TEPH	total extractable petroleum hydrocarbons
TOC	top of casing
TPH	total petroleum hydrocarbons
TPHd	total petroleum hydrocarbons, diesel range organics
TPHg	total petroleum hydrocarbons, gasoline range organics
TPHo	total petroleum hydrocarbons, oil range organics
USEPA	United States Environmental Protection Agency
UST	underground storage tank
VOC	volatile organic compound
West Coast Basin	West Coast Subbasin

1. INTRODUCTION

On behalf of the City of Inglewood, Tetra Tech, Inc. (Tetra Tech) has prepared this *Fourth Quarter 2013 Groundwater Monitoring Report* (GWM report) for the Glasgow Property, located at 315 South Glasgow Avenue, Inglewood, California (the Site). The location of the Site is shown on Figure 1.

1.1 OBJECTIVE AND SCOPE OF WORK

The objective of the GWM report is to provide a summary of the Site groundwater conditions over time using groundwater monitoring data collected on a quarterly basis. This GWM report covers the Fourth Quarter 2013 monitoring period.

The scope of work (SOW) included:

- Conducting quarterly groundwater monitoring, including gauging and sampling of 3 groundwater monitoring wells (MW1 through MW3) using both the low-flow and 3-volume purging methodology;
- Reporting gauging data by AMEC Environment & Infrastructure from one off-Site Avaya groundwater monitoring well (MW-7); and
- Preparing this GWM report with a summary of the groundwater monitoring activities conducted for the Fourth Quarter 2013.

1.2 REPORT ORGANIZATION

The Fourth Quarter 2013 GWM report is organized into the following sections:

- Section 1 – Introduction: provides an overview of the previous investigations and a statement of the Work Plan objectives.
- Section 2 – Background: provides a description of the Site, a discussion of Site history, operations, and chemical usage, regional and Site geology, and regional and Site hydrogeology, and previous Site investigations.
- Section 3 – Quarterly Groundwater Monitoring: provides a description of the groundwater monitoring field activities, including groundwater level monitoring, sampling and analysis procedures, laboratory analytical methods, quality assurance/quality control (QA/QC) procedures, and investigation-derived waste (IDW) disposal procedures.
- Section 4 – Fourth Quarter 2013 Groundwater Monitoring Results: provides a summary of the groundwater elevations, flow direction, and a summary of the laboratory analytical results.
- Section 5 – Discussion and Recommendations: provides a discussion of the results and recommendations for the Site.
- Section 6 – References: lists applicable references used in preparing this GWM report.

TPH at 91 mg/kg, TCE at 26 µg/kg, and toluene at 5 µg/kg were detected in soil at 70 feet bgs (no samples were collected below this depth due to caving) (L&A, 1991).

The County of Los Angeles Department of Public Works reviewed the L&A Remedial Action Report, dated 1991, and certified that the soil investigation and soil remedial activities were complete (Eco and Associates, 2011). The Los Angeles Regional Water Quality Control Board (LARWQCB) UST Section issued an UST Case Closure letter that directed no further action related to the UST petroleum release for this Site on October 4, 1996 (LARWQCB, 1996). The Site was subsequently transferred to the LARWQCB Site Cleanup Unit due to the potential VOC impact to the groundwater quality below the Site (LARWQCB, 1996 and 2011a).

In February 2011, the LARWQCB issued a directive letter to the City of Inglewood Redevelopment Agency requesting a groundwater assessment workplan (LARWQCB, 2011a). The letter included the LARWQCB California Water Code Section 13267 Order for the Site.

In April 2011, on behalf of the City of Inglewood, Eco and Associates prepared the Final Groundwater Investigation Workplan for the City of Inglewood Redevelopment Agency at 315 South Glasgow Avenue, Inglewood, California 90301 (Eco and Associates, 2011).

In April 26, 2011, the LARWQCB reviewed and approved the workplan prepared by Eco and Associates with several requested additions: survey the wells and use a known benchmark outside of the Site vicinity as part of the survey, mark the well casings on the northern end of each well, include the overall Site boundary dimensions, include the Site Identification No. and File Site Cleanup Program on all reports and correspondence, make sure all work is performed under the direction of a California registered geologist or similarly experienced professional, the hard copy version does not need to include the QAQC reports and COC documents, and the groundwater monitoring program shall be implemented until the plume delineation is complete and the LARWQCB agrees to the termination of the groundwater monitoring (LARWQCB, 2011b).

In August and September 2011, Ninyo & Moore installed, monitored, and sampled three wells (MW1 through MW3) at the Site (Ninyo & Moore, 2011). Detectable concentrations of TPH were not reported in the soil samples analyzed with the exception of one sample collected from MW2 at 5 feet bgs (S-MW2-5). Concentrations of TPH (C₂₃-C₃₂) and TPH (>C₃₂) were reported at 27 and 28 mg/kg, respectively. Detectable concentrations of VOCs were not reported in the soil samples analyzed with the exception of PCE and TCE. PCE was detected only in MW-1 at 70 feet bgs (S-MW1-70) at 7.4 µg/kg. TCE was detected in MW-1 at 10 and 40 feet bgs (40 and 20 µg/kg, respectively), MW-2 at 30, 35, 55, and 60 feet bgs (3.3, 5.9, 8.2, and 11 µg/kg, respectively), and MW-3 at 25 and 35 feet bgs (22 and 21 µg/kg, respectively). Based on a comparison of the analytical data to Regional Water Quality Control Board Maximum Soil Screening Level (MSSL) for soils 20 to 150 feet above groundwater, concentrations of TPH (C₂₃-C₃₂) and TPH (>C₃₂) were below their respective MSSLs. Similarly, a comparison of June 2011 USEPA Regional Screening Levels (RSLs) for industrial soils to detected concentrations of TCE and PCE were below their respective RSLs (Ninyo & Moore, 2011).

Groundwater monitoring continued for three additional quarters (Fourth Quarter 2011, First Quarter 2012, and Second Quarter 2012). In the Second Quarter 2012 GWM report, Ninyo and Moore recommended no further action for the Site and the abandonment of the three on-Site groundwater monitoring wells (Ninyo and Moore, 2012a-c).

In April 2013, the LARWQCB reviewed the Well Installation and GWM reports prepared by Ninyo & Moore. The LARWQCB determined that additional data would be required to determine that the former UST is not a contributing source to the impacted groundwater and to completely delineate the plume. The LARWQCB provided several additional comments and requirements, which included complying with the previous approval letter from 2011, adding the groundwater monitoring well locations to the State Water Resources Control Board GeoTracker database (Geotracker), coordinating sampling of on-Site wells with Avaya well MW-7 (located in South Glasgow Avenue, approximately 93 feet southeast of well MW-3 and 118 feet east-

contribute to variations in the groundwater elevations within a short distance between our Site and the Avaya well MW-7. Additionally, based on information from off-Site facilities in the vicinity of the Site, multiple groundwater zones are monitored. Historical groundwater flow data at the Avaya site indicated an apparent groundwater flow direction in June and September 2013 to the northeast.

The depth to groundwater on December 11, 2013 measured at 92.35 below top of casing (TOC) in MW1, 92.20 below TOC in MW2, and 91.73 below TOC in MW3. Additional information regarding Site groundwater conditions during the current monitoring event are discussed in *Sections 4.1* and *5.1*.

temperature of 4 degrees Celsius (°C) with wet ice. The coolers containing the samples were subsequently transported to ATL with proper COC forms for chemical analyses.

3.2.3 Analytical Methods

All groundwater samples collected during the during the groundwater monitoring event were analyzed by ATL, a California Department of Public Health-certified laboratory for the following:

- Total petroleum hydrocarbons gasoline range organics (TPHg) (C₄-C₁₂) by USEPA Method 8015B
- Total petroleum hydrocarbons diesel range organics (TPHd) (C₁₃-C₂₂) and total petroleum hydrocarbons oil range organics (TPHo) (C₂₃-C₃₂) by USEPA Method 8015M
- VOCs including fuel oxygenates by USEPA Method 8260B

3.2.4 Equipment Decontamination

Prior to use at each sampling location and after each groundwater sample had been collected, sampling equipment that came into direct contact with samples (such as the sample tip) were decontaminated as described below.

- The equipment was washed with non-phosphate detergent and potable water.
- The equipment was rinsed with potable water followed by a distilled water rinse.
- The equipment was allowed to air dry.

All water used for decontamination was collected in United Nations/Department of Transportation-approved drums.

3.2.5 Quality Assurance/Quality Control

QA/QC measures are an integral part of the field sampling program and serve to ensure the reliability and compatibility of all data generated during this investigation. A variety of data was collected from the field activities.

3.2.5.1 Quality Assurance Samples

Quality assurance samples collected during the groundwater monitoring event included field duplicates, equipment blanks (EBs), temperature blanks, and trip blanks (TBs).

Field Duplicates – Field duplicates were collected for groundwater samples at a frequency of approximately one field duplicate sample for every 10 samples. All field duplicates were analyzed for the same analytes as the original samples.

Equipment Blanks – EBs were collected when reusable, non-disposable sampling equipment (e.g., downhole water meters) were utilized. To prevent sample cross-contamination from occurring, the field sampling equipment was decontaminated prior to reuse. One EB set was collected for sampling equipment daily to assess decontamination procedures. EBs were analyzed for the same parameters as their corresponding Site samples.

Temperature Blanks – Temperature blanks were prepared by the laboratory and accompanied the coolers containing the samples delivered to the laboratory. The temperature of the water was recorded by the laboratory upon arrival to determine if the sample temperatures deviated from 4°C.

Trip Blanks – TBs were provided by the laboratory and consisted of volatile organic analysis vials that had been filled with organic-free water. Prior to sampling, sealed TBs were provided along with empty sample

4. FOURTH QUARTER 2013 GROUNDWATER MONITORING RESULTS

4.1 GROUNDWATER ELEVATIONS

On December 11, 2013, groundwater elevations were measured in groundwater monitoring well MW1 at 8.47 ft above mean sea level (MSL); in well MW2 at 8.77 ft above MSL, and in well MW3 at 9.12 ft above MSL. Per the LARWQCB request, the groundwater elevation was gauged at Avaya's groundwater monitoring well MW-7 by AMEC Environment & Infrastructure on the same day monitoring was conducted at the Site; the groundwater elevation was 6.02 ft above MSL at Avaya's well MW-7. Table 1 presents available historical gauging and groundwater elevation data, including the current monitoring period, for all on-Site groundwater monitoring wells.

Based on the groundwater monitoring activities conducted on December 11, 2013 and historical sampling events utilizing the three on-Site wells MW-1 through MW-3, the local groundwater flow direction and gradient has been highly variable. The overall groundwater flow during the current quarter is generally to the west at a gradient of approximately 0.014, similar to the Third Quarter 2013 monitoring event. See Figure 3 for the groundwater elevation contour map for the current monitoring period utilizing the three Site wells.

4.2 GROUNDWATER ANALYTICAL RESULTS

The following sections present the analytical results of groundwater samples collected on December 11, 2013. Analytical results for TPH and VOCs from the Fourth Quarter 2013 groundwater sampling events are presented in Tables 3 and 4, respectively. Laboratory analytical reports are provided in Appendix C.

4.2.1 TPH – gasoline range organics

A total of four groundwater samples, including one duplicate, were analyzed for TPHg. TPHg was detected in all three wells, ranging from 0.30 mg/L (MW2) to 2.3 mg/L (MW1). TPHg analytical results are presented on Table 3.

4.2.2 TPH – diesel range organics

A total of four groundwater samples, including one duplicate, were analyzed for TPHd. TPHd was not detected during the Fourth Quarter 2013. TPHd analytical results are presented on Table 3.

4.2.3 TPH – oil range organics

A total of three groundwater samples, including two duplicates, were analyzed for TPHo. TPHo was only detected in well MW2 at 0.05 mg/L. TPHo analytical results are presented on Table 3.

4.2.4 VOCs

A total of four groundwater samples, including one duplicate, were analyzed for VOCs. The following seven VOCs were detected above the practical quantitation limit (PQL): 1,1-dichloroethene (DCE), 1,2-DCA (dichloroethane), chloroform, Freon-113, methyl tertiary butyl ether (MTBE), PCE, and TCE. Detected VOC concentration ranges are as follows:

- > 1,1-DCE ranged from 2.9 µg/L (MW2) to 54 µg/L (MW1);
- > 1,2-DCA ranged from 13 µg/L (MW3) to 15 µg/L (MW2);
- > Chloroform ranged from 10 µg/L (MW2) to 15 µg/L (MW3);
- > Freon-113 ranged from 14 µg/L (MW2) to 31 µg/L (MW1);
- > MTBE ranged from 10 µg/L (MW3) to 14 µg/L (MW2);

5. DISCUSSION AND RECOMMENDATIONS

5.1 DISCUSSION

Based on DTGW data collected on December 11, 2013, DTGW ranged from 91.30 ft to 91.88 ft below TOC. Groundwater elevations ranged from 9.47 ft above MSL to 9.12 ft above MSL. The approximate groundwater flow direction was calculated to be generally to the west with a gradient of 0.014 ft/ft. The variability has historically been attributed to potential seasonal variations, rain events, or related to remediation activities occurring at neighboring properties (Ninyo & Moore, 2011). Historically, the gradient direction at the Site has ranged from northwest, to west-southwest, to north-northwest. The gradient has ranged from 0.0003 ft/ft to 0.017 ft/ft. As described in *Section 4.1*, based on the groundwater monitoring activities conducted on December 11, 2013 and historical sampling events utilizing the three on-Site wells MW-1 through MW-3, the local groundwater flow direction and gradient has been highly variable. The overall groundwater flow during the current quarter is generally to the west at a gradient of approximately 0.014, similar to the Third Quarter 2013 monitoring event.

TPHg was detected in samples collected on December 11, 2013 from all three on-Site wells ranging from 0.30 mg/L to 2.3 mg/L. TPHg concentrations in wells MW1 through MW3 during the Fourth Quarter 2013 monitoring event were similar to previously detected concentrations. TPHd was not detected in any of the sampled wells during the current quarter. TPHo was detected only in well MW2 at a concentration of 0.05 mg/L.

A total of seven VOCs were detected this quarter (1,1-DCE, 1,2-DCA, chloroform, Freon-113, MTBE, PCE, and TCE) of which five VOCs were above the California Department of Public Health Primary maximum contaminant levels. These analytes include 1,1-DCE (MW1 and MW3), 1,2-DCA (MW2 and MW3), MTBE (MW-2), and PCE and TCE (MW1, MW2, and MW3). PCE and TCE concentrations continue to be detected in all three on-Site wells; concentrations are shown on Figures 4 and 5, respectively. Similar to previous monitoring events, well MW1 continues to exhibit the highest PCE and TCE concentrations of the on-Site wells.

Based on information obtained from Geotracker and the California Environmental Protection Agency, Department of Toxic Substances Control's (DTSC's) Envirostor database/website, several active off-Site soil and/or groundwater cleanup sites are located in the immediate vicinity of the Site including the 1) Avaya property located approximately 200 feet southwest (upgradient) of the Site (SCP No. 1071, Site ID No. 2040018), which also has one groundwater monitoring well located in Glasgow Avenue immediately to the east of the Site; and 2) Rho-Chem Corporation, 425 Isis Avenue, Inglewood, California (LARWQCB Case No. I-9991 and associated waste discharge requirement [WDR] ID No. 100000985; DTSC RCRA Facility Investigation and associated Corrective Action Consent Agreement Docket HWCA-P3-01/02-005). Current and/or historical operations at both of the referenced off-Site facilities appear to have impacted soil, soil-gas, and/or groundwater with various compounds of potential concern (COPCs), including, but not limited to VOCs (chlorinated compounds such as PCE, TCE, 1,1- and 1,2-DCE, etc., as well as Freon, BTEX, MTBE and other oxygenates), TPH, semi-VOCs, and metals. Impacted media, including groundwater, from both referenced facilities appears to have migrated off-Site and may be potential off-Site sources of COPCs observed in groundwater on-Site.

Additionally, based on information from off-Site facilities in the vicinity of the Site, multiple groundwater zones are monitored. Historical groundwater flow data at the Avaya property indicated an apparent groundwater flow direction in June and September 2013 to the northeast (AMEC, 2013).

5.2 LOW-FLOW AND 3-VOLUME PURGING/SAMPLING COMPARISON STUDY RESULTS

During the Fourth Quarter 2013 sampling event, groundwater samples were collected from the three Site wells for a second low-flow and 3-volume conventional purging/sampling comparison study. The purpose of the study was to evaluate whether the data obtained using the low-flow sampling technique

6. REFERENCES

AMEC Environment & Infrastructure, Inc., 2013. Third Quarter 2013 Groundwater Monitoring Report, AVAYA, 400 S. Hindry Avenue, Inglewood, California. October 30.

Bangsund, W. J., C.G. Peng, and W.R. Mattsfield. 1994. Investigation of Contaminant Migration by Low-flow Rate Sampling Techniques. Proceedings, Eighth Annual Outdoor Action Conference, National Ground Water Association, Dublin, OH, pp. 311-326.

Barcelona, M. J., H.A. Wehrmann, and M.D. Varljen. 1994. Reproducible Well-purging Procedures and VOC Stabilization Criteria for Ground Water Sampling. Ground Water, Vol. 32, No. 1, pp. 12-22.

California Department of Conservation, Division of Mines and Geology, 1998, Seismic Hazard Evaluation of the Inglewood 7.5-Minute Quadrangle, Los Angeles, County, California: Open File Report 98-1.

California Department of Toxic Substances Control. 2008. Representative Sampling of Groundwater for Hazardous Substances, Guidance Manual for Groundwater Investigations. July 1995, Revised February 2008.

California Department of Water Resources (CDWR), Southern District. 1961. "Bulletin No. 104, Planned Utilization of the Ground Water Basins of the Coastal Plain of Los Angeles County, Appendix A - Ground Water Geology," June.

Eco & Associates, Inc., 2011. Groundwater Investigation Workplan – Final – 315 South Glasgow Avenue, Inglewood, California 90301. April 5, 2011.

Kearl, P.M., N.E. Korte, M. Stites, and J. Baker. 1994. Field Comparison of Micropurging vs. Traditional Ground Water Sampling. Ground Water Monitoring and Remediation, Vol. 14, No. 4, pp. 183-190.

Lockman & Associates, 1991. Remedial Action Report, Closure Permit registration No. 71688, File No. 15751 2E, 315 to 319 South Glasgow Avenue, Inglewood, California. February 25.

Los Angeles Regional Water Quality Control Board (LARWQCB), 1996, Interim Site Assessment & Cleanup Guidebook. May.

_____, 1996. Underground Storage Tank Case Closure, Airport Business Center, 315 South Glasgow Avenue, Inglewood (#903010025). October 4.

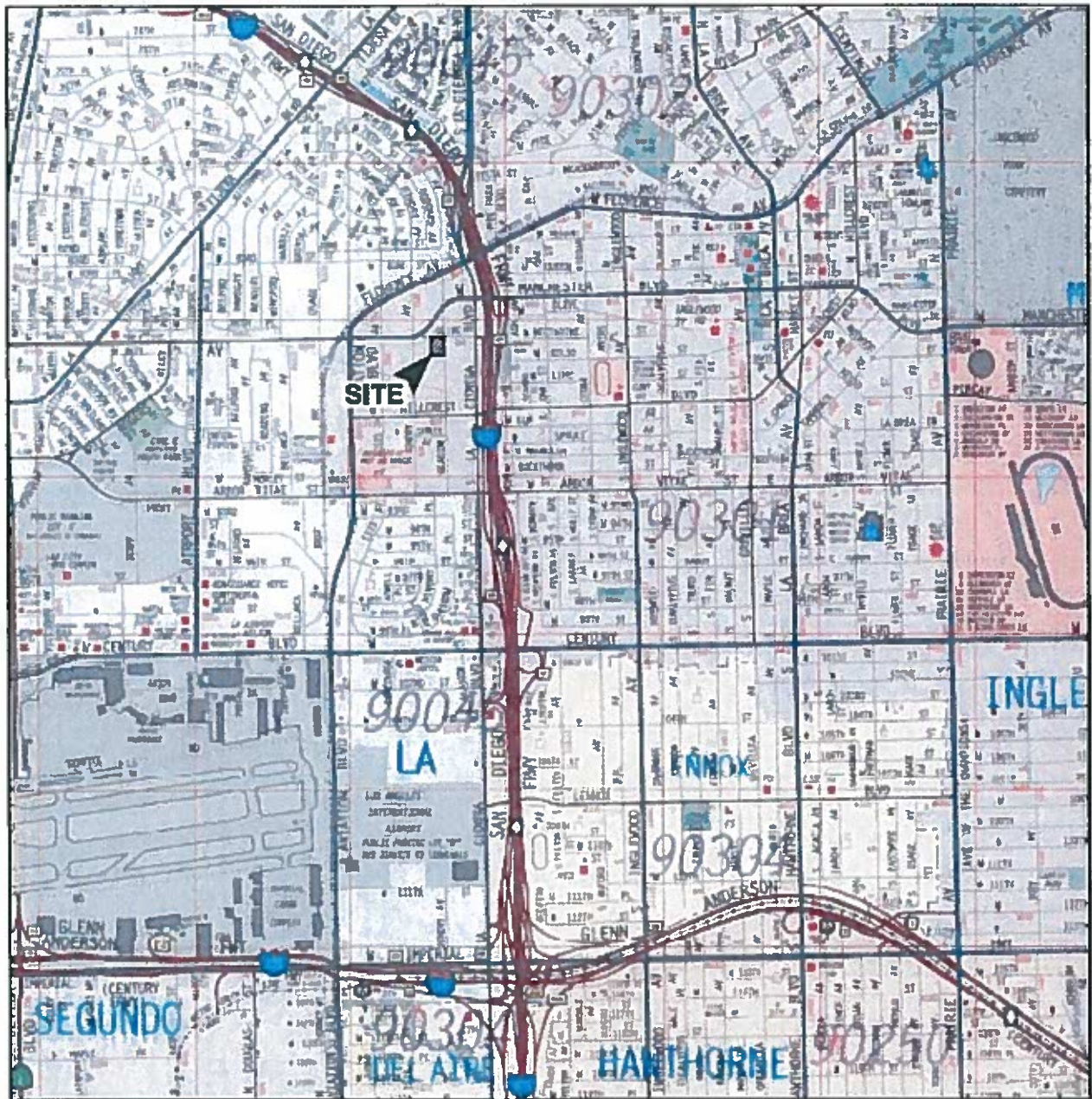
_____, 2011a. Requirement for Technical Report (Groundwater Assessment Workplan) Pursuant to California Water Code Section 13267 Order - Glasgow Property, 315 South Glasgow Avenue, Inglewood, California, (Site ID No. 2040388; FILE SCP No.0746). February 23, 2011

_____, 2011b. Approval of Workplan for Groundwater Investigation, Pursuant to California Water Code Section 13267 Order - Glasgow Property, 315 South Glasgow Avenue, Inglewood, California, (Site ID No. 2040388; FILE SCP No.0746). April 26, 2011.

_____, 2013, Review of Groundwater Monitoring Reports and Future Monitoring Requirements Pursuant to California Water Code Section 13267 Order - Glasgow Property, 315 South Glasgow Avenue, Inglewood, California, (Site ID No. 2040388; Site Cleanup No.0746). April 3, 2013.

Ninyo and Moore, 2011. Well Installation and Groundwater Monitoring Report – Glasgow Property, 315 South Glasgow Avenue, Inglewood, California, (CRWQCB Site ID No. 2040388; FILE SCP No.0746). November 2, 2011.

FIGURES



NOTE: DIMENSIONS, DIRECTIONS AND LOCATIONS ARE APPROXIMATE
 SOURCE: 52nd Edition, Thomas Guide for Los Angeles/Orange Counties, Street Guide and Directory



TETRA TECH
 3475 E. Foothill Blvd.
 Pasadena, California 91107



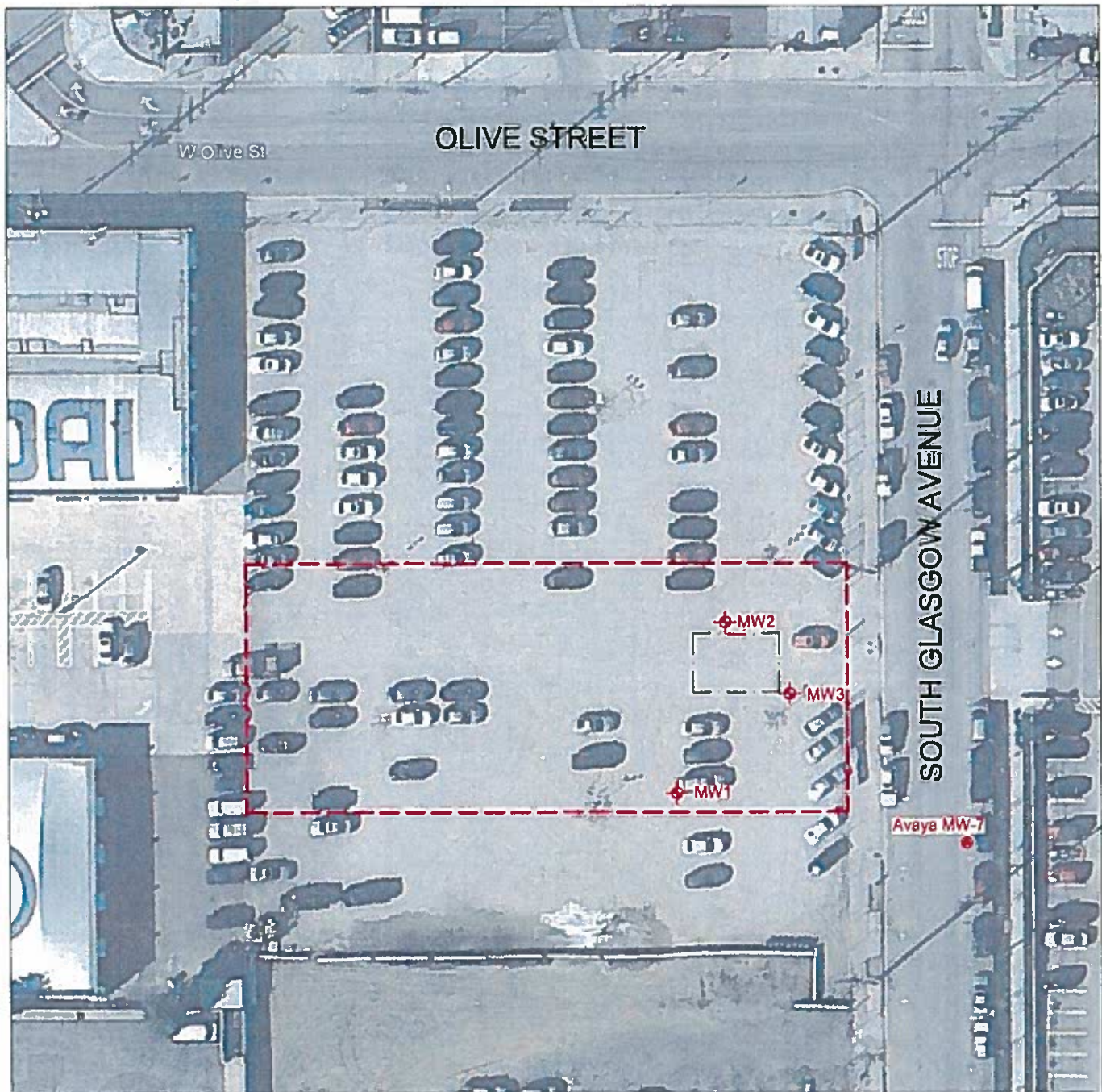
CITY OF INGLEWOOD
 One Manchester Blvd.
 Inglewood, CA 90301

Figure 1
Site Location Map

Drawn By: CF

Date: January 2014

TC# 31006



LEGEND



Site Boundary



Location of Former UST



MW3 Groundwater Monitoring Well (Ninyo and Moore, 2011)



Avaya MW-7 Groundwater Monitoring Well (MACTEC, 2005)

\\the017\sub\2\FAS\CAD\Projects\City of Inglewood\DW Monitoring\251304\Figure 2.dwg

Prepared by
R.K.
Reviewed by
C.F.
Checked by
R.K.



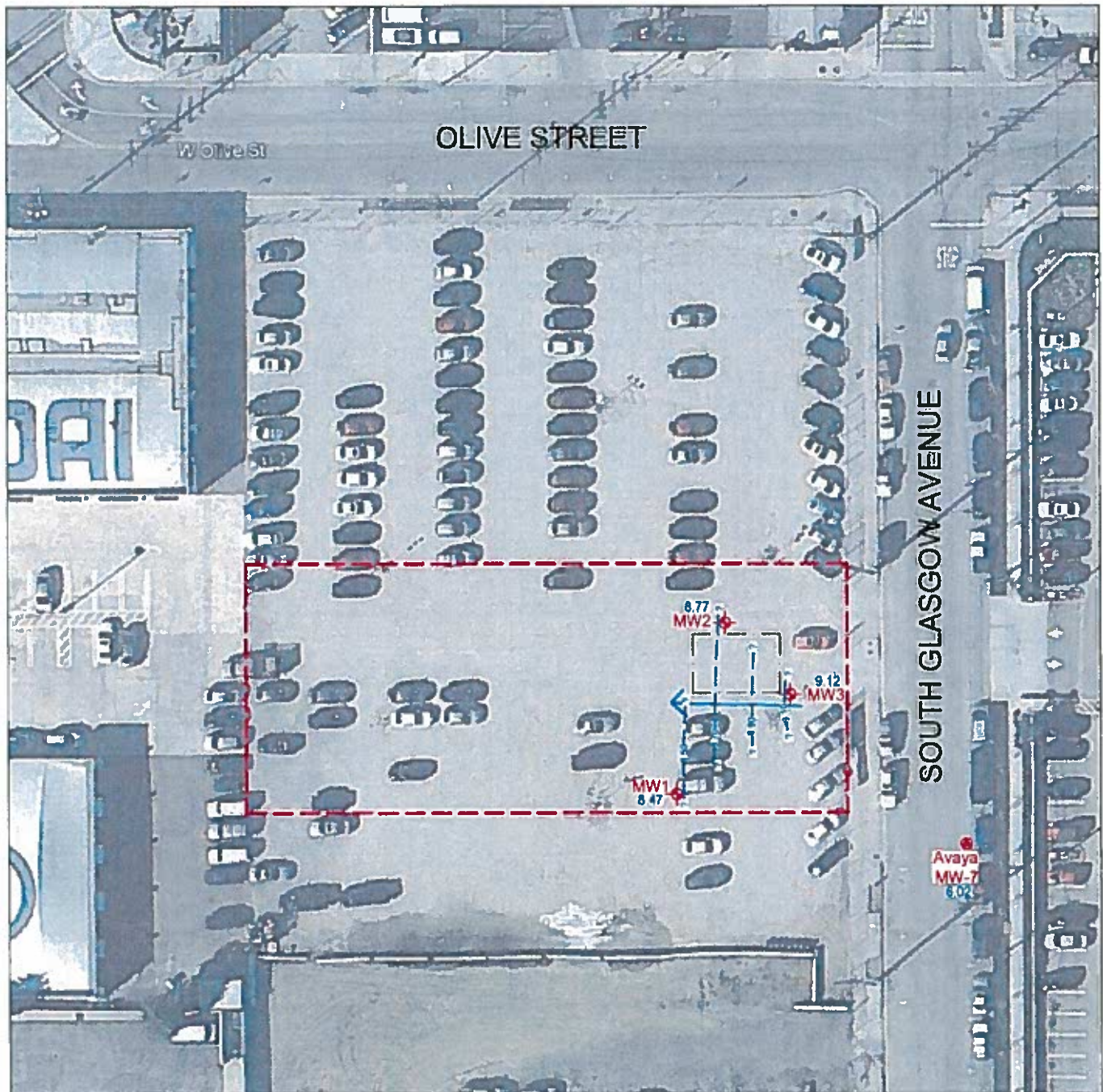
Tetra Tech
3475 E. Foothill Blvd.
Pasadena, California 91107



City of Inglewood
One Manchester Blvd.
Inglewood, CA 90301

Figure 2
Monitoring Well Location Map

January 2014
1"=60'
31006



LEGEND

- | | |
|---|---|
| Site Boundary | Location of Former UST |
| MW3 Groundwater Monitoring Well (Ninyo and Moore, 2011) | 9.55 Groundwater Elevation (ft above MSL) |
| Avaya MW-7 Groundwater Monitoring Well (MACTEC, 2005) | 9.50 Groundwater Elevation Contour Line (dashed where inferred, questioned where insufficient data available) |
| | Approximate Groundwater Flow Direction |

Y:\Projects\City of Inglewood\GIS\Monitoring\30130472\spare\3.dwg

Prepared By:	R.K.
Reviewed By:	C.F.
Project Number:	R.K.

Tetra Tech
3475 E. Foothill Blvd.
Pasadena, California 91107

Prepared For:

City of Inglewood
One Manchester Blvd.
Inglewood, CA 90301

Figure 3
Groundwater Elevation Contour Map (ft MSL)
December 11, 2013

January 2014

Scale: 1"=60'

3/1000

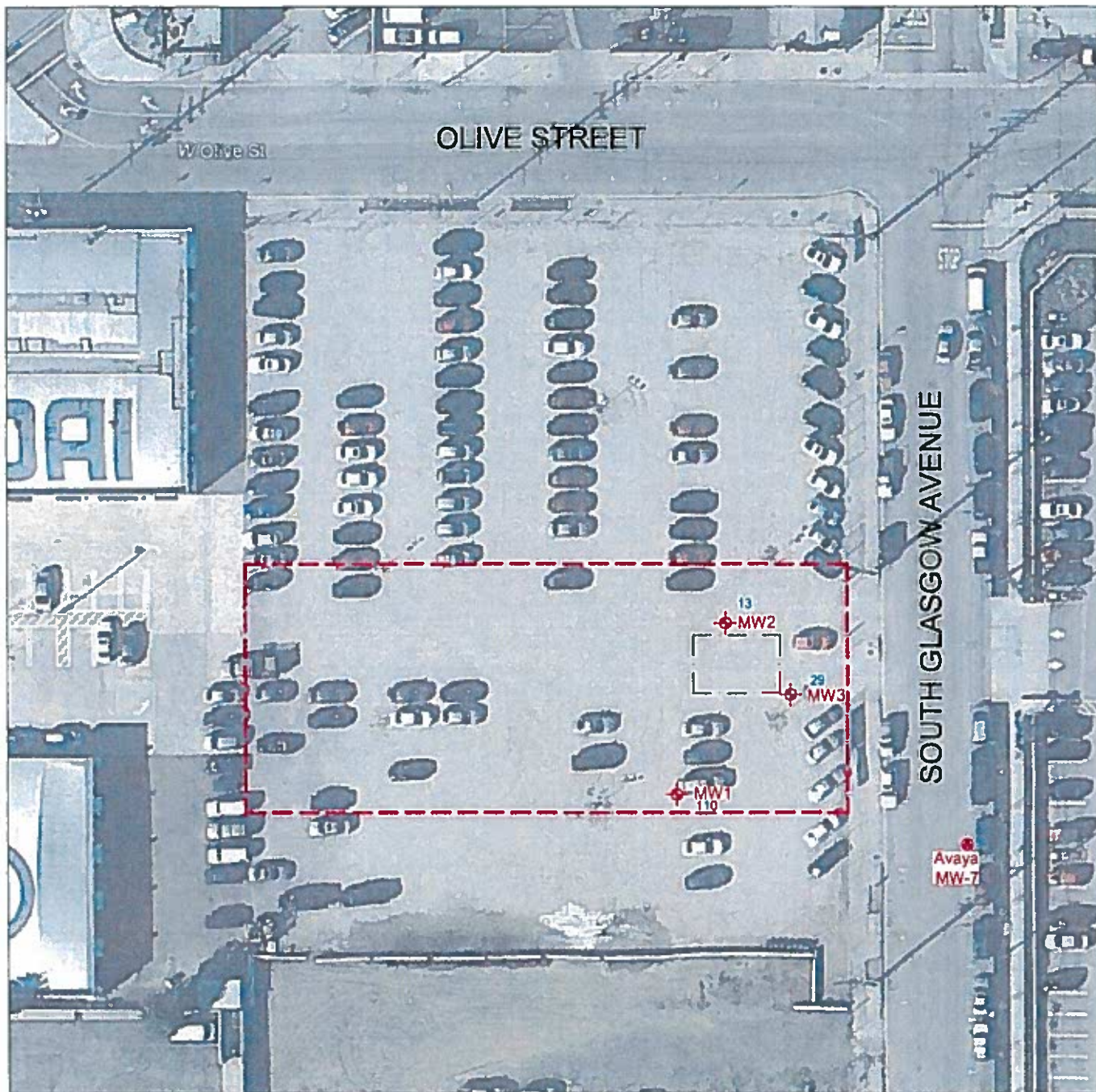
 Site Boundary

Avaya
MW-7

Location of Former UST

1.200 TCE Concentration ($\mu\text{g/L}$)

Note: If duplicate sample exists, the higher concentration value was used.



LEGEND

Site Boundary

MW3 Groundwater Monitoring Well (Ninyo and Moore, 2011)

Avaya MW-7 Groundwater Monitoring Well (MACTEC, 2005)

Location of Former UST

20 PCE Concentration (µg/L)

Note: If duplicate sample exists, the higher concentration value was used.

\\dms0176\dd\Tetra\GIS\CAD\Projects\City of Inglewood\DW Monitoring\2013Q4\figure 5.dwg

R.K.
CF
R.K.



Tetra Tech
3475 E. Foothill Blvd.
Pasadena, California 91107



City of Inglewood
(One Manchester Blvd.)
Inglewood, CA 90301

Figure 5
PCE Concentrations in Groundwater (µg/L)
December 11, 2013

January 2014
1"=00'
31008

Appendix G

for

Long Range Property Management Plan City of Inglewood, as Successor Agency to the Former Inglewood Redevelopment Agency

City of Inglewood Market and Site Overview
Prepared by Keyser Marston Associates



KEYSER MARSTON ASSOCIATES
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

MEMORNDUM

ADVISORS IN:
REAL ESTATE
REDEVELOPMENT
AFFORDABLE HOUSING
ECONOMIC DEVELOPMENT

SAN FRANCISCO
A. JERRY KEYSER
TIMOTHY C. KELLY
KATE EARLE FUNK
DEBBIE M. KERN
REED T. KAWAHARA
DAVID DOEZENIA

LOS ANGELES
KATHLEEN H. HEAD
JAMES A. RABE
GREGORY D. SOO-HOO
KEVIN E. ENGSTROM
JULIE L. ROMIEY

SAN DIEGO
PAUL C. MARRA

To: Margarita Cruz, Redevelopment Manager
City of Inglewood

From: Julie Romey
Kevin Engstrom

Date: March 11, 2014

Subject: City of Inglewood Market and Site Overview

Pursuant to your request, Keyser Marston Associates, Inc. (KMA) evaluated the market conditions for the City of Inglewood (City) and examined the locational attributes of properties owned by the City of Inglewood's Successor Agency (Agency). Based on this review, KMA considered the development potential for the Agency-owned parcels. The analysis is summarized in the following sections:

1. **Socio-Economic Characteristics** - KMA evaluated the socio-economic characteristics of the City and Los Angeles (County). Reviewing the socio-economic characteristics of the market area residents is necessary for the evaluation of potential market opportunities.
2. **Employment and Business** - Provides a summary of existing employment and businesses.
3. **Retail Overview** - Includes data from regional brokerage houses, current asking rents, estimates of current retail productivity levels, and estimates of the likely supportable retail.
4. **Office Overview** - This analysis includes data from regional brokerage houses, current asking rents, and market demand projections to assess potential opportunities.

To: Margarita Cruz, City of Inglewood
Subject: City of Inglewood Market and Site Overview

March 11, 2014
Page 2

5. **Industrial Overview** - This analysis includes data from regional brokerage houses, current asking rents and market demand projections to assess potential opportunities.
6. **Residential Overview** - Summarizes the housing inventory, new and existing home sales and rental activity in the region.
7. **Hotel Overview** - Summarizes the market conditions and demand for hotel development in the City and market area.
8. **Site Findings** - Based on the market conditions, summarizes the highest and best use for the Agency's Sites.

SOCIO-ECONOMIC REVIEW

The salient socio-economic characteristics of the market area are shown in Tables 1 and 2, and summarized below.

- Moderate population densities in the market area.
- The average household sizes in the City are consistent with the County.
- The income levels in the City (\$54,600) are relatively low, as they lag the County average (\$78,600).
- There are few high income households, as only 4% of the households earn over \$150,000, compared to 11% countywide.
- There is a slight concentration of residents under the age of 18 in the City.
- The education levels in the City are relatively low, as 18% of the residents over 25 are college graduates compared to 29% countywide.
- There is a significant concentration of Black residents in the City (43% of the population) when compared to the County (8% of the population).
- Projections indicate there will be relatively slow population growth in the City over the next decades.

EMPLOYMENT-BUSINESS REVIEW

The salient employment and business data for the market area is summarized below, with the data shown in Tables 3 and 4:

- There are fewer employees per resident in the City when compared to the County. This indicates the City is not a significant employment center.
- Within the City, there is a concentration of transportation, health care and social assistance employment.
- Within the City there are relatively fewer manufacturing, professional and finance employees.

RETAIL REVIEW

The information compiled for the retail overview can be summarized as follows, with the detailed findings shown in Tables 5 through 13:

- When compared to nearby cities (\$7,700), the County (\$9,100) and the State (\$9,500), the per capita retail sales in the City (\$6,800) are relatively low.
- City sales are below County averages for all categories of retail sales except General Merchandise Stores and Other Retail Stores (Other Retail Stores sales are inflated by inclusion of Building Materials Stores).
- The City has relatively fewer retail establishments than the County and the State.
- The surplus/leakage analysis indicates there is retail potential for Building Materials Stores, Clothing Stores, Sporting Goods/Hobby Stores, Health and Personal Care Stores, and Home Furnishing Stores.
- Within the City, support exists for between 260,000 and 390,000 square feet of retail.
- Rents in the City range significantly depending on location and building quality. The average asking rent is approximately \$1.70 per square foot, which is below the County average of \$2.00 per square foot.
- Building sales prices range based on quality of location and tenant, with an average price of \$150 per square foot of building area.

To: Margarita Cruz, City of Inglewood
Subject: City of Inglewood Market and Site Overview

March 11, 2014
Page 4

The soft retail market conditions in the City and the market area's relatively weak socio-economic characteristics indicate a very challenging environment. The surplus/leakage analysis indicates demand for up to 400,000 square feet of retail in the City. This level of support would equate to approximately 30 to 35 acres of land, assuming typical FAR ratios and the absorption of some demand by existing centers in the market area. Overall, the current market conditions would suggest that this development potential will be realized over the mid- to long-term (up to and beyond seven years). Finally, this demand is for the entire City, so the properties will be competing with alternative locations throughout the market area.

OFFICE REVIEW

The information compiled for the office demand can be summarized as follows, with the detailed findings shown in Tables 14 through 18:

- The office market is improving, as vacancy rates are dropping in Los Angeles County.
- Within the County, office rents range significantly depending on the area. For instance, West Los Angeles rents average \$3.30 per square foot, while rents in the South Bay and Southeast Los Angeles average less than \$2.00 per square foot.
- There is approximately 1.2 million square feet of office space under construction in the County, which would equate to less than 1% of the existing inventory.
- Asking rents in the City are approximately \$1.30 PSF, not sufficient to support new building.
- Based on employment growth projections for the City, there is limited demand of 262,000 square feet of office space over the next 15 years.
- Within the City, there have been a modest number of office building sales, with an average price of \$100 per square foot of building space.

Given the demand projections, there is unlikely to be significant office demand in the City over the near- to mid-term. In addition, the rents are very low, so it is unlikely that new office development will be financially feasible in the near- to mid-term. Overall, any new office development in the City will likely be limited to institutional uses and/or smaller professional firms that are choosing to locate in the City. In addition, some demand may exist for medical office space in the vicinity of Centinela Hospital.

INDUSTRIAL REVIEW

The information compiled for industrial demand can be summarized as follows, with the detailed findings shown in Tables 19 through 21:

- Throughout the region and within Los Angeles County, there are low vacancy rates.
- Absorption is relatively strong, with all areas of the County experiencing positive absorption.
- Given the healthy market, nearly 2.0 million square feet of industrial is under construction throughout the County.
- Average rents are approximately \$.50 per square foot in the County.
- Asking rents range depending on the type of space and rent, average is \$.90 per square foot in the City, which is relatively healthy.
- Building sales range from \$70 to \$180 per square foot of building space, average is \$110 per square foot of building space.

Overall, there is a healthy industrial market in the County. However, many of the Agency properties are not well-situated to capture this demand given their distance from the Airport and freeway accessibility. In addition, the lower rents associated with this type of space result in lower building and land values when compared to other land uses.

RESIDENTIAL OVERVIEW

The information compiled for the residential overview can be summarized as follows, with the detailed findings shown in Tables 22 through 25:

- Home prices in the Country, State, region and City have fluctuated in recent years. However, prices have steadily increased over the past year.
- Within the City, the single family sales prices are lower on a per square foot basis than the County average.
- When compared to the County, the condominium sales prices in the City are relatively low.

To: Margarita Cruz, City of Inglewood
Subject: City of Inglewood Market and Site Overview

March 11, 2014
Page 6

- In the City, the asking rents for studio apartments average \$1.60 per square foot, with all of the other unit types averaging \$1.20 per square foot.
- The average apartment vacancy rate in the City is extremely low at 2.3% in 2013.
- There have been a significant number of multi-family building sales within the City over the past two years, with an average sales price of \$130 per square foot.

The for-sale residential market is improving, as sales prices have risen over the past two years. However, the pricing of units in Inglewood lags behind the County. Overall, with the improvements in the market, demand will exist for new residential development in the City. This development will likely be consistent with the existing housing stock in the City, which is a mix of single and multi-family homes. For the multi-family homes, rents are projected to increase and vacancy rates are projected to remain very low; consequently, demand will exist for apartment development in the near- to mid-term.

HOTEL REVIEW

A review of the regional hotel market is shown in Tables 26 through 29:

- The City is considered in part of the LAX market area, which has a significant number of rooms; however, very few are in Inglewood.
- The average occupancy level in market area exceeds the County (84% compared to 74%) by a significant margin.
- While the occupancy levels are very high, the average daily rates (ADR) in the market area are relatively low (\$105) compared to the County (\$180).
- Over the past seven years, demand increased at a faster rate in market area compared to the County.

The hotel market has improved over the past two years, and new developments are being proposed throughout the region. The LAX market area has very high occupancy rates, but relatively low ADRs. The low ADRs will make development difficult in Inglewood, particularly given the lack of market area hotels in the City. Ultimately, any new hotel development in Inglewood would likely occur in freeway visible locations, which would provide good access to LAX. Hotel opportunities are likely to involve select service hotels, which are properties with limited food and beverage service. Typically, a select service hotel will range from 150 to 200 rooms and would include such properties as: Holiday Inn Express, Hilton Garden Inn, Hyatt Place, Courtyard, etc.

LAND SALE REVIEW

A review of land sales comps in the City is shown in Table 30. Over the past two years there have been ten sales, with the following per square foot values:

- Overall weighted average - \$34.50
- Commercial weighted average - \$38.60
- Industrial weighted average - \$13.90 (One Sale)
- Residential weighted average - \$24.80 (One Sale)

SITE FINDINGS

The information compiled for the market overview provides insights into the development opportunities for the Agency-owned Sites. The opportunities for the sites are summarized below and in Table 31. Based on information provided by the City, the Agency-owned properties are grouped into 14 sites. These Sites include:

	Site	Location	Site Area
Site 1	Hollywood Park	Prairie & Century	174,240
Site 2	Century Site (B3)	Century & Prairie	224,960
Site 3	Woodworth & 102 nd	Barton & Woodworth	15,339
Site 4	Imperial & Prairie (B8)	Imperial & Prairie	137,902
Site 5	D-3 Site	Florence & La Brea	120,734
Site 6	Market Street (D4)	125 Market St.	17,500
Site 7	Market Street (D5)	139 Market St.	14,998
Site 8	Market Street (D6 & D7)	140 & 150 Market St.	23,125
Site 9	Senior Center Development	Locust & Queen	33,481
Site 10	Parking Structure (P1)	115 Locust St.	6,958
Site 11	Parking Structure (P2)	104 Queen St.	50,939
Site 12	Glasgow & Olive (K1)	Glasgow & Olive	120,046
Site 13	Prairie & 101 st Site (B1)	Prairie & 101 st	48,007
Site 14	102 nd Street (B2)	102 nd Street	134,034

Site 1 – Hollywood Park

The Hollywood Park site is located on the northeast corner of the intersection of Century and Prairie. The existing uses on the Site include:

To: Margarita Cruz, City of Inglewood
Subject: City of Inglewood Market and Site Overview

March 11, 2014
Page 8

- Casino
- Race Track
- Parking lot
- Stables

The surrounding uses include:

- Residential
- The Forum
- Commercial

The Site has excellent visibility and access from Prairie and Century. The likely highest and best uses of the Site include:

- Mixed-use
- Residential
- Retail

Site 2 – Century Site (B3)

The Century Site is located near the southeast corner of the intersection of Century and Prairie. The existing uses on the Site include:

- Vacant land

The surrounding uses include:

- UPS Warehouse
- Residential
- Industrial
- Hollywood Park

The Site has good visibility and access from Century Boulevard. The likely highest and best uses of the Site include:

- Flex/Industrial Space (near-term)
- Retail (long-term)

To: Margarita Cruz, City of Inglewood
Subject: City of Inglewood Market and Site Overview

March 11, 2014
Page 9

Site 3 – Woodworth and 102nd

The Woodworth and 102nd Site is located near the intersection of Barton and Woodworth. The existing uses on the Site include:

- Vacant land

The surrounding uses include:

- Residential
- Strip Retail

The Site has poor visibility and access. The likely highest and best uses of the Site include:

- Park/Open Space

Site 4 – Imperial and Prairie

The Imperial and Prairie Site is located near the northwest corner of the intersection of Imperial and Prairie near the 105 Freeway. The existing uses on the Site include:

- Vacant land

The surrounding uses include:

- Motel
- Residential
- Parking
- Commercial

The Site has fair visibility and access from Prairie, and can be seen on from the westbound 105 Freeway. The likely highest and best uses of the Site include:

- Hotel (limited potential)
- Public Storage
- Multi-Family Residential

Site 5 – D-3 Site

The D-3 Site is located near the southeast corner of the intersection of Florence and La Brea. The existing uses on the Site include:

- Vacant land
- Parking Lot

The surrounding uses include:

- Shopping Center
- Commercial
- Los Angeles County Sheriff's Office

The Site has excellent visibility and access from Florence and La Brea. The likely highest and best uses of the Site include:

- Mixed-Use
- Residential
- Commercial

Site 6 – Market Street (D-4) Site

The Market Street (D-4) Site is located at 125 Market Street in the Downtown. The existing uses on the Site include:

- Commercial

The surrounding uses include:

- Commercial

The Site has good visibility and access from Market. The likely highest and best uses of the Site include:

- Mixed-Use
- Residential
- Commercial

To: Margarita Cruz, City of Inglewood
Subject: City of Inglewood Market and Site Overview

March 11, 2014
Page 11

Site 7 – Market Street (D-5) Site

The Market Street (D-5) Site is located at 139 Market Street in the Downtown. The existing uses on the Site include:

- Vacant

The surrounding uses include:

- Commercial

The Site has good visibility and access from Market. The likely highest and best uses of the Site include:

- Mixed-Use
- Residential
- Commercial

Site 8 – Market Street (D-6 and D-7) Site

The Market Street (D-6 and D-7) Site is located at 140 and 150 Market Street in the Downtown. The existing uses on the Site include:

- Vacant

The surrounding uses include:

- Commercial
- Bank
- Dance Studio

The Site has good visibility and access from Market. The likely highest and best uses of the Site include:

- Mixed-Use
- Residential
- Commercial

To: Margarita Cruz, City of Inglewood
Subject: City of Inglewood Market and Site Overview

March 11, 2014
Page 12

Site 9 – Senior Center Development Site

The Senior Center Development Site is located at 111 Locust Street and 335 Queen Street. The existing uses on the Site include:

- Vacant

The surrounding uses include:

- Salvation Army
- Residential
- Commercial

The Site has good visibility and access. The likely highest and best uses of the Site include:

- Mixed-Use
- Residential
- Commercial

Site 10 – Parking Structure (P-1)

The Parking Structure (P-1) Site is located at 104 Queen Street. The existing uses on the Site include:

- Parking Structure

The surrounding uses include:

- City Hall

The Site has fair visibility and access. The likely highest and best uses of the Site include:

- Parking Structure – provides parking for City Hall

Site 11 – Parking Structure (P-2)

The Parking Structure (P-2) Site is located at 115 Locust Street. The existing uses on the Site include:

To: Margarita Cruz, City of Inglewood
Subject: City of Inglewood Market and Site Overview

March 11, 2014
Page 13

- Parking Structure

The surrounding uses include:

- Chamber of Commerce
- Residential
- Commercial

The Site has good visibility and access. The likely highest and best uses of the Site include:

- Parking Structure – provides parking for Downtown establishments

Site 12 – Glasgow and Olive Site

The Glasgow and Olive Site is located near the southwest corner of the intersection of Glasgow and Olive. The existing uses on the Site include:

- Vacant
- Commercial/Industrial

The surrounding uses include:

- Car Dealership
- Home Depot
- Commercial
- Warehouses

The Site has fair visibility and access. The likely highest and best uses of the Site include:

- Car Dealership
- Car Dealership Storage
- Industrial/Flex Space

Site 13 – Prairie & 101st Site (B1)

The Prairie & 101st Street Site is located at the southwest corner of the intersection of Prairie and 101st Street. The existing uses on the Site include:

To: Margarita Cruz, City of Inglewood
Subject: City of Inglewood Market and Site Overview

March 11, 2014
Page 14

- Vacant

The surrounding uses include:

- Vacant sites
- Motel
- Liquor Store
- Fast food
- Residential

The Site has good visibility and access. The likely highest and best uses of the Site include:

- Commercial
- Storage
- Industrial/Flex Space

Site 14 – 102nd Street Site (B2)

The 102nd Street Site is located on the northside of 102nd Street between Prairie and Yukon Avenue. The existing uses on the Site include:

- Vacant

The surrounding uses include:

- Storage Units
- Warehouse
- Vacant
- Residential

The Site has fair visibility and access. The likely highest and best uses of the Site include:

- Commercial
- Storage Units
- Industrial/Flex Space

Attachments

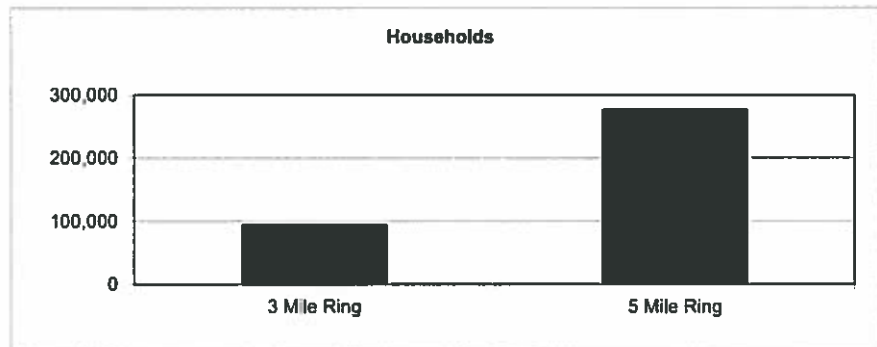
TABLE 1

**2013 SOCIO-ECONOMIC CHARACTERISTICS
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

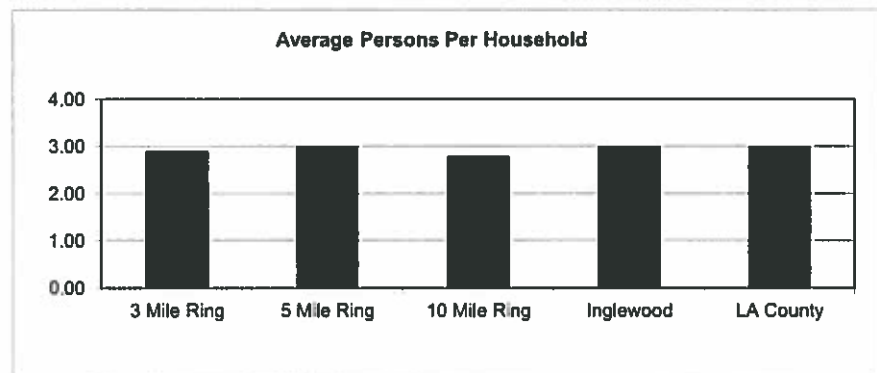
Population	
3 Mile Ring	274,500
5 Mile Ring	834,200
10 Mile Ring	3,171,900
Inglewood	111,300
LA County	9,969,400



Households	
3 Mile Ring	94,300
5 Mile Ring	276,100
10 Mile Ring	1,113,500
Inglewood	36,900
LA County	3,293,100



Average Persons Per Hhold	
3 Mile Ring	2.89
5 Mile Ring	2.99
10 Mile Ring	2.78
Inglewood	2.97
LA County	2.98



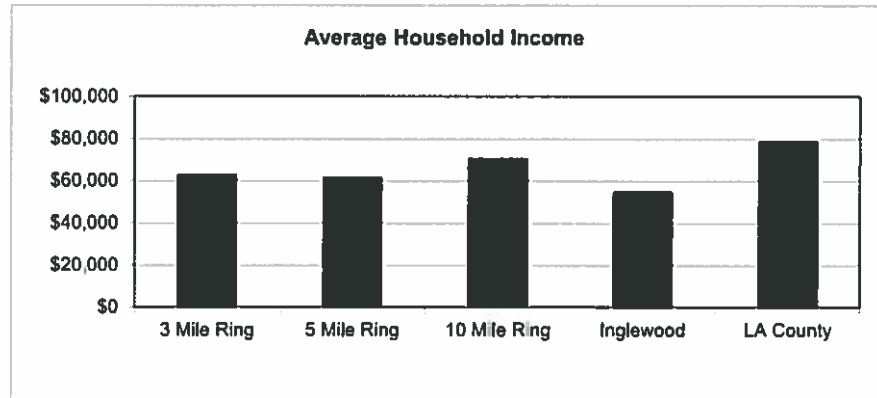
Source: Claritas 2012

TABLE 1 (Continued)

2013 SOCIO-ECONOMIC CHARACTERISTICS
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

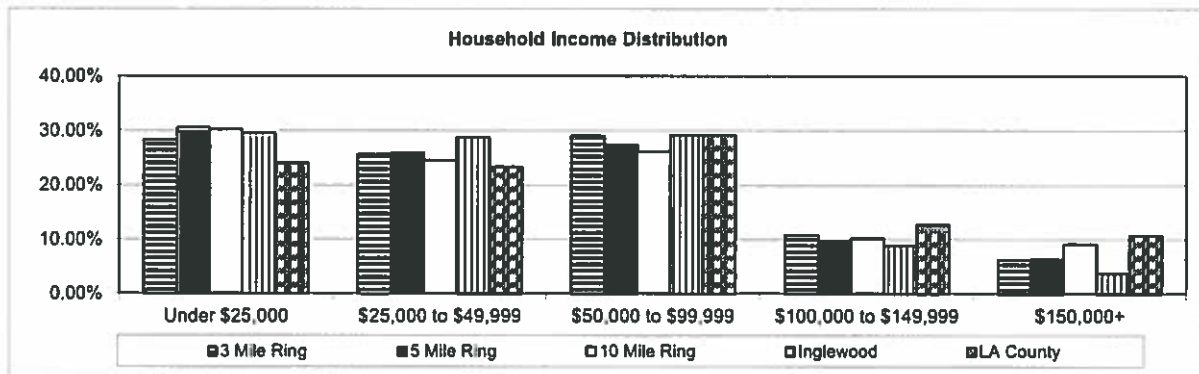
Average Household Income

3 Mile Ring	\$62,700
5 Mile Ring	\$61,400
10 Mile Ring	\$70,300
Inglewood	\$54,600
LA County	\$78,600



Household Income Distribution

	Under \$25,000	\$25,000 to \$49,999	\$50,000 to \$99,999	\$100,000 to \$149,999	\$150,000+
3 Mile Ring	28.24%	25.62%	29.03%	10.84%	6.27%
5 Mile Ring	30.55%	25.89%	27.40%	9.77%	6.39%
10 Mile Ring	30.15%	24.44%	26.10%	10.17%	9.14%
Inglewood	29.51%	28.71%	29.18%	8.82%	3.78%
LA County	24.01%	23.29%	29.17%	12.74%	10.79%



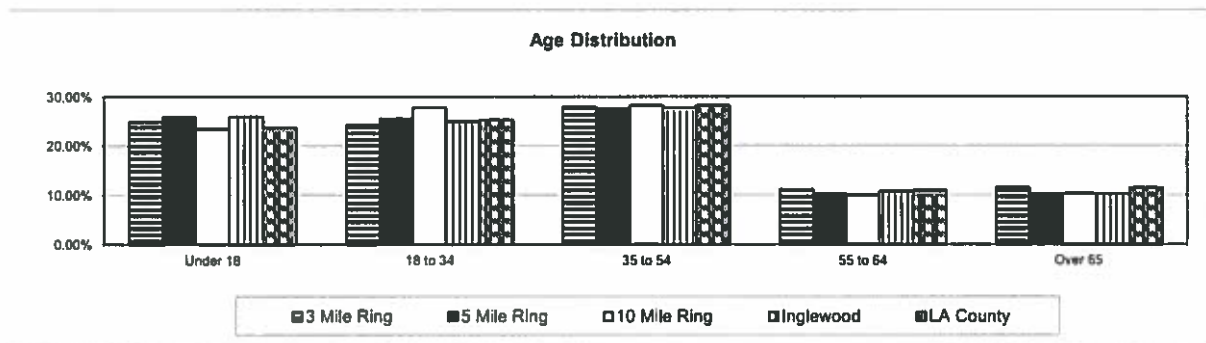
Source: Claritas 2012

TABLE 1 (Continued)

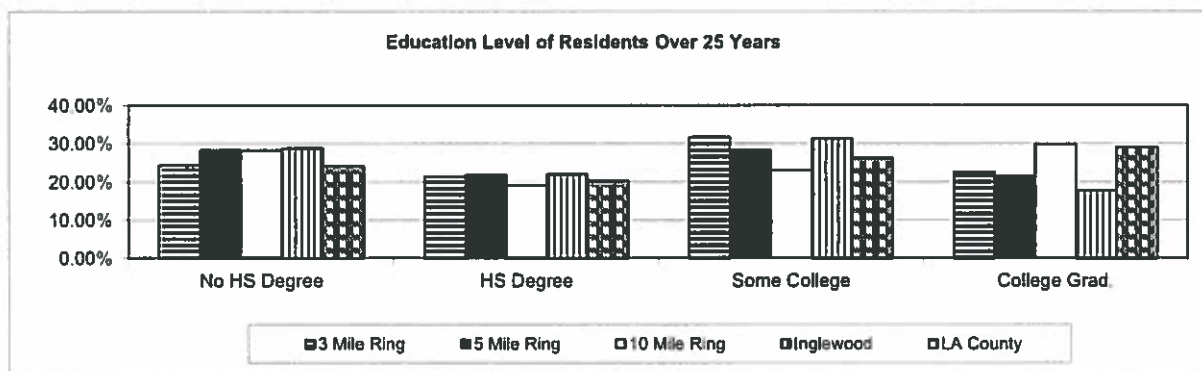
2013 SOCIO-ECONOMIC CHARACTERISTICS
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

Age Distribution

	Under 18	18 to 34	35 to 54	55 to 64	Over 65
3 Mile Ring	24.91%	24.27%	27.93%	11.28%	11.60%
5 Mile Ring	25.94%	25.60%	27.64%	10.42%	10.39%
10 Mile Ring	23.46%	27.82%	28.26%	10.04%	10.43%
Inglewood	25.98%	25.00%	27.82%	10.90%	10.31%
LA County	23.82%	25.35%	28.24%	11.06%	11.54%

**Education Level of Residents Over 25 Years**

	No HS Degree	HS Degree	Some College	College Grad.
3 Mile Ring	24.33%	21.40%	31.72%	22.55%
5 Mile Ring	28.38%	21.82%	28.24%	21.55%
10 Mile Ring	28.17%	19.09%	23.02%	29.73%
Inglewood	28.78%	22.08%	31.31%	17.82%
LA County	24.15%	20.44%	26.25%	29.16%

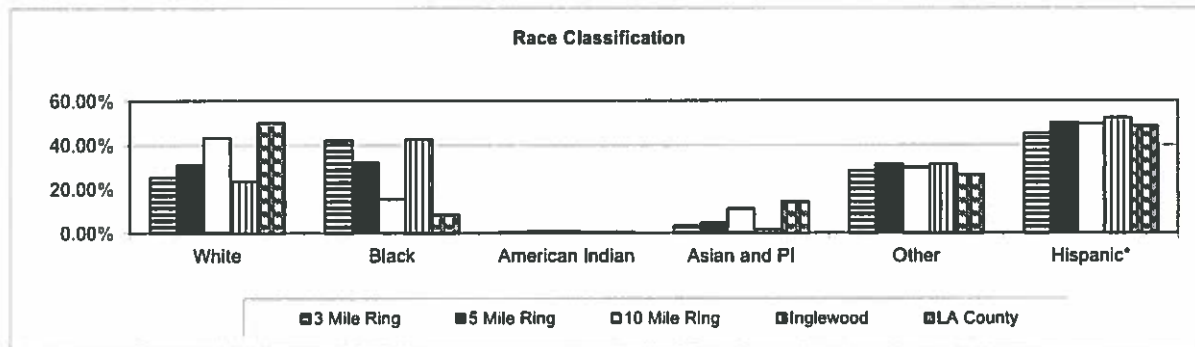


Source: Claritas 2012

TABLE 1 (Continued)

**2013 SOCIO-ECONOMIC CHARACTERISTICS
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

Race Classification	White	Black	American Indian	Asian and PI	Other	Hispanic*
3 Mile Ring	25.36%	42.18%	0.62%	3.40%	28.44%	45.18%
5 Mile Ring	31.05%	32.12%	0.68%	4.72%	31.42%	50.07%
10 Mile Ring	43.26%	15.33%	0.72%	10.98%	29.70%	49.51%
Inglewood	23.71%	42.52%	0.69%	1.69%	31.38%	52.22%
LA County	49.93%	8.42%	0.73%	14.35%	26.56%	48.46%



* Hispanic population percentage calculated separately from other races. In the 200 US Census, census takers were first asked to identify their race as White, Black, American Indian, Asian, Pacific Islander, or Other; and then asked if they identify as Hispanic/Latino or Non-Hispanic/Latino.

Source: Claritas 2012

TABLE 2

**SCAG POPULATION, HOUSEHOLD & EMPLOYMENT PROJECTIONS
INGLEWOOD LRMP
INGLEWOOD, CALIFORNIA**

	POPULATION									
	2003	2005	2010	2015	2020	2025	2030	2035		
Inglewood	117,215	117,789	118,466	120,185	120,678	121,065	121,669	122,200		
Los Angeles	3,885,816	3,955,392	4,057,484	4,128,125	4,204,329	4,277,732	4,348,281	4,415,772		
Gardena	60,349	61,288	62,452	65,579	67,708	69,968	72,140	74,269		
Hawthorne	87,748	88,360	94,042	98,586	103,236	107,748	112,119	116,312		
Regional Market Total ¹	4,151,128	4,222,829	4,332,444	4,412,475	4,495,951	4,576,513	4,654,209	4,728,553		
Los Angeles County	10,034,571	10,206,001	10,615,730	10,971,602	11,329,829	11,678,552	12,015,889	12,338,620		
Change	2003-2005	2005-2010	2010-2015	2015-2020	2020-2025	2025-2030	2030-2035	2003-2035		
Inglewood	0.5%	0.6%	1.5%	0.4%	0.3%	0.5%	0.4%	4.3%		
Los Angeles	1.8%	2.6%	1.7%	1.8%	1.7%	1.6%	1.6%	13.6%		
Gardena	1.6%	1.9%	5.0%	3.2%	3.3%	3.1%	3.0%	23.1%		
Hawthorne	0.7%	6.4%	4.8%	4.7%	4.4%	4.1%	3.7%	32.6%		
Regional Market Total ¹	1.7%	2.6%	1.8%	1.9%	1.8%	1.7%	1.6%	13.9%		
Los Angeles County	1.7%	4.0%	3.4%	3.3%	3.1%	2.9%	2.7%	23.0%		
HOUSEHOLDS										
	2003	2005	2010	2015	2020	2025	2030	2035		
	2003-2005	2005-2010	2010-2015	2015-2020	2020-2025	2025-2030	2030-2035	2003-2035		
Inglewood	36,852	36,806	37,205	38,149	38,708	38,989	39,345	39,564		
Los Angeles	1,290,422	1,306,079	1,366,985	1,424,701	1,485,519	1,532,998	1,578,850	1,616,578		
Gardena	20,428	20,623	20,817	21,875	22,639	23,230	23,799	24,251		
Hawthorne	28,624	28,647	29,143	29,614	30,110	30,497	30,870	31,178		
Regional Market Total ¹	1,376,326	1,392,155	1,454,150	1,514,339	1,576,976	1,625,714	1,672,864	1,711,571		
Los Angeles County	3,177,439	3,212,434	3,357,798	3,509,580	3,666,631	3,788,732	3,906,851	4,003,501		
Change	2003-2005	2005-2010	2010-2015	2015-2020	2020-2025	2025-2030	2030-2035	2003-2035		
Inglewood	-0.1%	1.1%	2.5%	1.5%	0.7%	0.9%	0.6%	7.4%		
Los Angeles	1.2%	4.7%	4.2%	4.3%	3.2%	3.0%	2.4%	25.3%		
Gardena	1.0%	0.9%	5.1%	3.5%	2.6%	2.4%	1.9%	18.7%		
Hawthorne	0.1%	1.7%	1.6%	1.7%	1.3%	1.2%	1.0%	8.9%		
Regional Market Total ¹	1.2%	4.5%	4.1%	4.1%	3.1%	2.9%	2.3%	24.4%		
Los Angeles County	1.1%	4.5%	4.5%	4.5%	3.3%	3.1%	2.5%	26.0%		

¹ Includes Inglewood, Los Angeles, Gardena and Hawthorne.

Source: Southern California Association of Governments

Prepared by: Keyser Marston Associates, Inc.

Filename: Inglewood Market Study Tables-v6.T2:3/11/2014

TABLE 2 (continued)

SCAG POPULATION, HOUSEHOLD & EMPLOYMENT PROJECTIONS
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

	EMPLOYMENT									
	2003	2005	2010	2015	2020	2025	2030	2035		
Inglewood	32,421	32,683	33,599	34,327	34,792	35,339	35,922	36,481		
Los Angeles	1,744,432	1,764,768	1,820,092	1,864,061	1,892,139	1,925,148	1,960,393	1,994,134		
Gardena	30,306	30,362	30,847	31,232	31,478	31,767	32,075	32,371		
Hawthorne	20,474	20,496	20,866	21,159	21,347	21,567	21,803	22,028		
Regional Market Total ¹	1,827,633	1,848,309	1,905,404	1,950,779	1,979,756	2,013,821	2,050,193	2,085,014		
Los Angeles County	4,353,490	4,397,025	4,552,398	4,675,875	4,754,731	4,847,436	4,946,420	5,041,172		
Change	2003-2005	2005-2010	2010-2015	2015-2020	2020-2025	2025-2030	2030-2035	2003-2035		
Inglewood	0.8%	2.8%	2.2%	1.4%	1.6%	1.6%	1.6%	12.5%		
Los Angeles	1.2%	3.1%	2.4%	1.5%	1.7%	1.8%	1.7%	14.3%		
Gardena	0.2%	1.6%	1.2%	0.8%	0.9%	1.0%	0.9%	6.8%		
Hawthorne	0.1%	1.8%	1.4%	0.9%	1.0%	1.1%	1.0%	7.6%		
Regional Market Total ¹	1.1%	3.1%	2.4%	1.5%	1.7%	1.8%	1.7%	14.1%		
Los Angeles County	1.0%	3.5%	2.7%	1.7%	1.9%	2.0%	1.9%	15.8%		

Source: Southern California Association of Governments

Prepared by: Keyser Marston Associates, Inc.

Filename: Inglewood Market Study Tables-v6;T2;3/11/2014

TABLE 3

EMPLOYMENT & BUSINESSES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

	Inglewood				LA County			
	Bus.	Emp.	Pop./Bus.	Emp./Bus.	Bus.	Emp.	Pop./Bus.	Emp./Bus.
Agriculture	3	26	37,091	8.7	530	3,256	18,810	6.1
Mining	0	0	NA	NA	223	3,216	44,706	14.4
Utilities	4	29	27,819	7.3	345	8,158	28,897	23.6
Construction	173	717	643	4.1	26,341	151,903	378	5.8
Manufacturing	102	1,247	1,091	12.2	20,435	358,486	488	17.5
Wholesale Trade	161	1,233	691	7.7	26,062	207,601	383	8.0
Transportation & Warehousing	272	2,561	409	9.4	9,847	105,891	1,012	10.8
Information	78	413	1,427	5.3	12,544	136,739	795	10.9
Real Estate/Rental/Leasing	223	1,234	499	5.5	23,715	132,736	420	5.6
Professional/Sci/Tech Services	402	1,292	277	3.2	63,993	315,478	156	4.9
Management of Companies	2	3	55,637	1.5	329	5,919	30,302	18.0
Administrative/Support Services	203	994	548	4.9	20,402	130,077	489	6.4
Educational Services	91	2,045	1,223	22.5	10,745	330,153	928	30.7
Healthcare & Social Assistance	707	5,775	157	8.2	87,112	552,207	114	6.3
Arts, Entertainment, Recreation	55	2,097	2,023	38.1	7,965	88,514	1,252	11.1
Retail Trade	584	3,987	191	6.8	72,022	527,094	138	7.3
Motor Vehicle & Parts Dealers	56	537	1,987	9.6	6,088	71,844	1,638	11.8
Furniture/Home Furnishings	23	73	4,838	3.2	3,916	22,794	2,546	5.8
Electronic/Appliance Stores	33	136	3,372	4.1	5,366	36,640	1,858	6.8
Building Material/Garden	44	431	2,529	9.8	4,969	35,856	2,006	7.2
Food & Beverage Stores	105	843	1,060	8.0	9,712	96,732	1,027	10.0
Health & Personal Care Stores	55	254	2,023	4.6	5,894	32,340	1,691	5.5
Gasoline Stations	17	53	6,546	3.1	2,117	14,796	4,709	7.0
Clothing & Accessories Stores	114	280	976	2.5	14,660	74,771	680	5.1
Sport/Hobby/Music/Book Stores	27	141	4,121	5.2	4,379	24,841	2,277	5.7
General Merchandise Stores	38	1,032	2,928	27.2	2,782	63,153	3,584	22.7
Miscellaneous Retail Stores	64	198	1,739	3.1	10,683	43,545	933	4.1
Nonstore Retailers	8	9	13,909	1.1	1,456	9,782	6,847	6.7
Finance & Insurance	241	628	462	2.6	29,005	176,812	344	6.1
Monetary Authorities	0	0	NA	NA	1	182	9,969,384	182.0
Credit/Intermediation Activities	119	296	935	2.5	11,790	66,265	846	5.6
Sec/Comm Contracts & Fin. Inv	31	101	3,589	3.3	5,892	37,639	1,692	6.4
Insurance Carriers	90	226	1,236	2.5	11,105	70,673	898	6.4
Funds/Trusts & Other Finance	1	5	111,274	5.0	217	2,053	45,942	9.5
Accommodation & Food Services	267	2,333	417	8.7	28,312	327,626	352	11.6
Accommodation	41	315	2,714	7.7	2,134	47,144	4,672	22.1
Food Services & Drinking Places	226	2,018	492	8.9	26,178	280,482	381	10.7
Other Services (Non Public Ad.)	635	2,573	175	4.1	52,978	232,211	188	4.4
Repair & Maintenance	187	785	595	4.2	17,301	54,811	576	3.2
Personal & Laundry Serv.	283	1,112	393	3.9	22,450	82,627	444	3.7
Religious/Grant/Civic Org.	165	676	674	4.1	13,227	94,773	754	7.2
Public Administration	55	1,162	2,023	21.1	4,311	179,698	2,313	41.7
Total	4,258	30,349	26	7.1	497,216	3,973,775	20	8.0

Source: Claritas

TABLE 4

**SHARE OF TOTAL BUSINESSES & EMPLOYMENT
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

	Inglewood		LA County	
	Businesses	Employees	Businesses	Employees
Agriculture		0.1%	0.1%	0.1%
Mining	0.0%	0.0%	0.0%	0.1%
Utilities	0.1%	0.1%	0.1%	0.2%
Construction	4.1%	2.4%	5.3%	3.8%
Manufacturing	2.4%	4.1%	4.1%	9.0%
Wholesale Trade	3.8%	4.1%	5.2%	5.2%
Transportation & Warehousing	6.4%	8.4%	2.0%	2.7%
Information	1.8%	1.4%	2.5%	3.4%
Real Estate/Rental/Leasing	5.2%	4.1%	4.8%	3.3%
Professional/Sci/Tech Services	9.4%	4.3%	12.9%	7.9%
Management of Companies	0.0%	0.0%	0.1%	0.1%
Administrative/Support Services	4.8%	3.3%	4.1%	3.3%
Educational Services	2.1%	6.7%	2.2%	8.3%
Healthcare & Social Assistance	16.6%	19.0%	17.5%	13.9%
Arts, Entertainment, Recreation	1.3%	6.9%	1.6%	2.2%
Retail Trade	13.7%	13.1%	14.5%	13.3%
Motor Vehicle & Parts Dealers	1.3%	1.8%	1.2%	1.8%
Furniture/Home Furnishings	0.5%	0.2%	0.8%	0.6%
Electronic/Appliance Stores	0.8%	0.4%	1.1%	0.9%
Building Material/Garden	1.0%	1.4%	1.0%	0.9%
Food & Beverage Stores	2.5%	2.8%	2.0%	2.4%
Health & Personal Care Stores	1.3%	0.8%	1.2%	0.8%
Gasoline Stations	0.4%	0.2%	0.4%	0.4%
Clothing & Accessories Stores	2.7%	0.9%	2.9%	1.9%
Sport/Hobby/Music/Book Stores	0.6%	0.5%	0.9%	0.6%
General Merchandise Stores	0.9%	3.4%	0.6%	1.6%
Miscellaneous Retail Stores	1.5%	0.7%	2.1%	1.1%
Nonstore Retailers	0.2%	0.0%	0.3%	0.2%
Finance & Insurance	5.7%	2.1%	5.8%	4.4%
Monetary Authorities	0.0%	0.0%	0.0%	0.0%
Credit/Intermediation Activities	2.8%	1.0%	2.4%	1.7%
Sec/Comm Contracts & Fin. Inv	0.7%	0.3%	1.2%	0.9%
Insurance Carriers	2.1%	0.7%	2.2%	1.8%
Funds/Trusts & Other Finance	0.0%	0.0%	0.0%	0.1%
Accommodation & Food Services	6.3%	7.7%	5.7%	8.2%
Accommodation	1.0%	1.0%	0.4%	1.2%
Food Services & Drinking Places	5.3%	6.6%	5.3%	7.1%
Other Services (Non Public Ad.)	14.9%	8.5%	10.7%	5.8%
Repair & Maintenance	4.4%	2.6%	3.5%	1.4%
Personal & Laundry Serv.	6.6%	3.7%	4.5%	2.1%
Religious/Grant/Civic Org.	3.9%	2.2%	2.7%	2.4%
Public Administration	1.3%	3.8%	0.9%	4.5%
Total Businesses	100.0%	100.0%	100.0%	100.0%

Source: Claritas; Keyser Marston Associates

TABLE 5

TOTAL & PER CAPITA RETAIL SALES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

	-----Total Taxable Sales (\$000s)-----					
	2011					
	Inglewood	Hawthorne	Gardena	Regional Market	Los Angeles County	State of California
Motor Vehicles and Parts Dlr	\$121,700	\$191,415	\$77,785	\$390,901	\$12,686,384	\$53,303,502
Home Furnishing & App	11,321	74,367	17,927	103,615	5,738,575	23,578,090
Bldg Mtrl & Garden Equip	-	114,026	88,824	202,850	6,306,814	26,064,428
Food & Beverage Stores	54,974	31,844	46,471	133,289	5,591,250	23,606,132
Gasoline Stations	112,707	90,784	117,415	320,905	13,394,467	55,210,076
Clothing & Clothing Access	65,108	34,733	4,807	104,647	8,356,612	29,600,057
General Merchandise Stores	137,699	-	70,985	208,684	10,866,531	48,219,018
Food Services & Drinking Plcs	109,677	74,265	105,606	289,549	15,286,655	54,755,944
Other Retail Group	140,572	298,275	34,618	473,465	11,024,159	41,180,792
Retail Stores Total	\$753,757	\$909,708	\$564,438	\$2,227,904	\$89,251,447	\$355,518,038

	-----Per Capita Taxable Sales-----					
	2011					
Population	109,909	84,762	58,946	287,086	9,847,712	37,427,946
	Inglewood	Hawthorne	Gardena	Regional Market	Los Angeles County	State of California
Motor Vehicles and Parts Dlr	\$1,107	\$2,258	\$1,320	\$1,362	\$1,288	\$1,424
Home Furnishing & App	103	877	304	361	583	630
Bldg Mtrl & Garden Equip	-	1,345	1,507	707	640	696
Food & Beverage Stores	500	376	788	464	568	631
Gasoline Stations	1,025	1,071	1,992	1,118	1,360	1,475
Clothing & Clothing Access	592	410	82	365	849	791
General Merchandise Stores	1,253	-	1,204	727	1,103	1,288
Food Services & Drinking Plcs	998	876	1,792	1,009	1,552	1,463
Other Retail Group	1,279	3,519	587	1,649	1,119	1,100
Retail Stores Total	\$6,858	\$10,732	\$9,576	\$7,760	\$9,063	\$9,499

Source: California State Board of Equalization; and California State Department of Finance (Table E-1, population as of 4/1/11)

¹ Per the CA State Board of Equalization, for those categories listed as "-", the sales are included in the "Other Retail Stores" category.

TABLE 6

TOTAL PERMITS & SALES PER RETAIL PERMIT
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

-----Total Permits-----						
2011						
	<u>Inglewood</u>	<u>Hawthorne</u>	<u>Gardena</u>	<u>Regional Market</u>	<u>Los Angeles County</u>	<u>State of California</u>
Motor Vehicles and Parts Dirs	91	81	104	276	8,734	33,173
Home Furnishing & App	69	54	66	189	11,633	40,951
Bldg Mtrl & Garden Equip	16	25	32	73	3,645	17,350
Food & Beverage Stores	113	57	65	235	8,710	30,924
Gasoline Stations	23	15	16	54	2,186	9,958
Clothing & Clothing Access	218	85	119	422	23,421	67,112
General Merchandise Stores	54	25	43	122	6,583	15,964
Food Services & Drinking Plcs	247	171	273	691	25,879	92,843
Other Retail Group	<u>550</u>	<u>294</u>	<u>479</u>	<u>1,323</u>	<u>89,081</u>	<u>337,053</u>
Retail Stores Total	1,381	807	1,197	3,385	179,872	645,328

-----Taxable Sales Per Permit-----						
2011						
	<u>Inglewood</u>	<u>Hawthorne</u>	<u>Gardena</u>	<u>Regional Market</u>	<u>Los Angeles County</u>	<u>State of California</u>
Motor Vehicles and Parts Dirs	\$1,337,367	\$2,363,149	\$747,934	\$1,416,306	\$1,452,528	\$1,606,834
Home Furnishing & App	164,074	1,377,158	271,621	548,226	493,301	575,763
Bldg Mtrl & Garden Equip	-	4,561,034	2,775,751	2,778,765	1,730,264	1,502,273
Food & Beverage Stores	486,492	558,660	714,944	567,185	641,935	763,360
Gasoline Stations	4,900,292	6,052,241	7,338,446	5,942,694	6,127,387	5,544,294
Clothing & Clothing Access	298,659	408,623	40,392	247,980	356,800	441,055
General Merchandise Stores	2,549,978	-	1,650,811	1,710,522	1,650,696	3,020,485
Food Services & Drinking Plcs	444,038	434,300	386,835	419,028	590,697	589,769
Other Retail Group	<u>255,585</u>	<u>1,014,541</u>	<u>72,272</u>	<u>357,872</u>	<u>123,754</u>	<u>122,179</u>
Retail Stores Average	\$545,805	\$1,127,272	\$471,544	\$658,170	\$496,194	\$550,911

-----Residents Per Permit-----						
2011						
	<u>Inglewood</u>	<u>Hawthorne</u>	<u>Gardena</u>	<u>Regional Market</u>	<u>Los Angeles County</u>	<u>State of California</u>
Population	109,909	84,762	58,946	287,086	9,847,712	37,427,946
Motor Vehicles and Parts Dirs	1,208	1,046	567	1,040	1,128	1,128
Home Furnishing & App	1,593	1,570	893	1,519	847	914
Bldg Mtrl & Garden Equip	6,869	3,390	1,842	3,933	2,702	2,157
Food & Beverage Stores	973	1,487	907	1,222	1,131	1,210
Gasoline Stations	4,779	5,651	3,684	5,316	4,505	3,759
Clothing & Clothing Access	504	997	495	680	420	558
General Merchandise Stores	2,035	3,390	1,371	2,353	1,496	2,345
Food Services & Drinking Plcs	445	496	216	415	381	403
Other Retail Group	<u>200</u>	<u>288</u>	<u>123</u>	<u>217</u>	<u>111</u>	<u>111</u>
Retail Stores Average	80	105	49	85	55	58

Source: California State Board of Equalization; and California State Department of Finance (Table E-1, population as of 4/1/11)

¹ Per the CA State Board of Equalization, for those categories listed as "\$0", the sales are included in the "Other Retail Stores" category.

TABLE 7

**ESTIMATED MARKET POTENTIAL - EXISTING CONDITIONS
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

Households in City ¹	36,900				
Average HH Income ¹	\$54,565				
Gross Market Area Income	\$2,013,449,000				
Establishment Type	Market Area (2011)	Market Area (2013) ²	Market Area Potential (2013)	Market Area Surplus/ (Leakage)	Typical Productivity
Home Furnishing & App	11,321,100	\$11,766,200	\$46,964,000	(\$35,197,800)	\$350
Bldg Mtrl & Garden Equip	0	0	51,615,000	(51,615,000)	\$400
Food & Beverage Stores ³	157,067,300	163,242,700	130,739,000	32,503,700	\$450
Clothing & Clothing Accessories	65,107,700	67,667,500	68,390,000	(722,500)	0
General Merchandise ⁴	144,946,100	150,645,000	93,612,000	57,033,000	\$350
Food Services & Drinking Plcs	109,677,300	113,989,500	125,105,000	(11,115,500)	\$400
Other Retail Group	140,571,700	146,098,600	90,221,000	55,877,600	\$400
Retail Stores Total	\$628,691,200	\$653,409,500	\$606,646,000	\$46,763,500	\$350
					259,500

Source: California State Board of Equalization; Bureau of Labor Statistics-CPI (Los Angeles-Riverside-Orange County; All items); DOF; and Claritas.

¹ Based on estimates from Claritas.

² Sales in 2013 assume annual rate of change between 2011 and 2013 for the CPI (Los Angeles-Riverside-Orange County) during this period.

³ Assumes food store sales are 35% taxable.

⁴ Assumes general merchandise store sales are 95% taxable.

TABLE 8

**RETAIL SALES SURPLUS/LEAKAGE DATA SUMMARY
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

Inglewood	Expenditures	Sales	Opportunity Gap/Surplus	Typical Sales PSF	Potential (SF)
Motor Vehicle and Parts Dealers-441	\$225,274,270	\$104,862,526	\$120,411,744	NA	NA
Furniture and Home Furnishings Stores-442	28,367,863	9,129,974	19,237,889	\$350	54,965
Electronics and Appliance Stores-443	24,465,765	11,707,801	12,757,964	\$500	25,516
Building Material, Garden Equip Stores-444	118,394,180	90,463,492	27,930,688	\$400	69,827
Food and Beverage Stores-445	195,082,178	209,223,721	(14,141,543)	\$450	0
Health and Personal Care Stores-446	78,454,615	66,679,402	11,775,213	\$400	29,438
Gasoline Stations-447	134,196,049	72,713,584	61,482,465	NA	NA
Clothing and Clothing Accessories Stores-448	72,536,936	42,080,082	30,456,854	\$350	87,020
Sporting Goods, Hobby, Book, Music Stores-451	28,076,948	12,523,881	15,553,067	\$400	38,883
General Merchandise Stores-452	190,570,698	338,233,447	(147,662,749)	\$400	0
Miscellaneous Store Retailers-453	29,224,433	28,271,042	953,391	\$350	2,724
Non-Store Retailers-454	106,963,567	63,634,549	43,329,018	NA	NA
Foodservice and Drinking Places-722	\$138,374,831	\$104,654,904	\$33,719,927	\$400	84,300
Total Retail Sales Incl Eating and Drinking Places	\$1,369,982,333	\$1,154,178,405	\$215,803,928		392,672
Three-Mile Market Area	Expenditures	Sales	Opportunity Gap/Surplus	Typical Sales PSF	Potential (SF)
Motor Vehicle and Parts Dealers-441	\$598,457,829	\$362,008,897	\$236,448,932	NA	NA
Furniture and Home Furnishings Stores-442	77,110,573	26,316,601	50,793,972	\$350	145,126
Electronics and Appliance Stores-443	67,584,511	92,054,829	(24,470,318)	\$500	0
Building Material, Garden Equip Stores-444	328,217,412	241,792,991	86,424,421	\$400	216,061
Food and Beverage Stores-445	502,770,237	526,864,554	(24,094,317)	\$450	0
Health and Personal Care Stores-446	203,021,505	184,987,420	18,034,085	\$400	45,085
Gasoline Stations-447	352,774,924	450,836,386	(98,061,462)	NA	NA
Clothing and Clothing Accessories Stores-448	190,831,283	168,657,542	22,173,741	\$350	63,354
Sporting Goods, Hobby, Book, Music Stores-451	74,986,801	25,015,402	49,971,399	\$400	124,928
General Merchandise Stores-452	496,574,955	567,990,994	(71,416,039)	\$400	0
Miscellaneous Store Retailers-453	79,460,888	109,356,158	(29,895,270)	\$350	0
Non-Store Retailers-454	283,651,603	293,638,726	(9,987,123)	NA	NA
Foodservice and Drinking Places-722	\$369,301,257	\$557,348,594	(\$188,047,337)	\$400	0
Total Retail Sales Incl Eating and Drinking Places	\$3,624,743,778	\$3,606,869,094	\$17,874,684		594,554

TABLE 8

RETAIL SALES SURPLUS/LEAKAGE DATA SUMMARY
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

	Expenditures	Sales	Opportunity Gap/Surplus	Typical Sales PSF	Potential (SF)
Five-Mile Market Area					
Motor Vehicle and Parts Dealers-441	\$1,796,229,211	\$1,371,411,125	\$424,818,086	NA	NA
Furniture and Home Furnishings Stores-442	224,858,637	148,611,339	76,247,298	\$350	217,849
Electronics and Appliance Stores-443	198,155,724	299,325,394	(101,169,670)	\$500	0
Building Material, Garden Equip Stores-444	944,098,000	623,919,772	320,178,228	\$400	800,446
Food and Beverage Stores-445	1,499,577,345	1,567,686,826	(68,109,481)	\$450	0
Health and Personal Care Stores-446	586,239,452	434,261,376	151,978,076	\$400	379,945
Gasoline Stations-447	1,042,609,539	824,829,490	217,780,049	NA	NA
Clothing and Clothing Accessories Stores-448	568,049,890	387,080,129	180,969,761	\$350	517,056
Sporting Goods, Hobby, Book, Music Stores-451	225,061,842	116,167,834	108,894,008	\$400	272,235
General Merchandise Stores-452	1,474,701,253	1,502,911,935	(28,210,682)	\$400	0
Miscellaneous Store Retailers-453	238,996,396	311,568,511	(72,572,115)	\$350	0
Non-Store Retailers-454	836,824,690	1,471,057,153	(634,232,463)	NA	NA
Foodservice and Drinking Places-722	\$1,097,482,798	\$1,125,778,520	(\$28,295,722)	\$400	0
Total Retail Sales Incl Eating and Drinking Places	\$10,732,884,777	\$10,184,609,404	\$548,275,373		2,187,532
Ten-Mile Market Area					
Motor Vehicle and Parts Dealers-441	\$7,946,246,094	\$6,386,406,242	\$1,559,839,852	NA	NA
Furniture and Home Furnishings Stores-442	965,552,341	1,055,467,529	(89,915,188)	\$350	0
Electronics and Appliance Stores-443	857,211,147	1,212,826,255	(355,615,108)	\$500	0
Building Material, Garden Equip Stores-444	3,885,648,618	2,436,939,726	1,448,708,892	\$400	3,621,772
Food and Beverage Stores-445	5,984,747,192	7,089,206,510	(1,104,459,318)	\$450	0
Health and Personal Care Stores-446	2,273,678,269	2,516,779,187	(243,100,918)	\$400	0
Gasoline Stations-447	4,285,783,848	3,059,959,454	1,225,824,394	NA	NA
Clothing and Clothing Accessories Stores-448	2,305,379,343	4,704,669,028	(2,399,289,685)	\$350	0
Sporting Goods, Hobby, Book, Music Stores-451	960,823,675	759,276,479	201,547,196	\$400	503,868
General Merchandise Stores-452	5,928,518,470	5,139,021,118	789,497,352	\$400	1,973,743
Miscellaneous Store Retailers-453	1,021,112,257	1,723,440,865	(702,328,608)	\$350	0
Non-Store Retailers-454	3,426,640,180	6,152,036,714	(2,725,396,534)	NA	NA
Foodservice and Drinking Places-722	\$4,734,703,620	\$6,123,179,546	(\$1,388,475,926)	\$400	0
Total Retail Sales Incl Eating and Drinking Places	\$44,576,045,054	\$48,359,208,653	(\$3,783,163,599)		6,099,384

Source: Claritas; KMA

TABLE 9

ESTIMATED RETAIL DEMAND (SQUARE FEET OF SUPPORTABLE DEVELOPMENT)

INGLEWOOD LRPMP

INGLEWOOD, CALIFORNIA

	Inglewood	3 - Mile	5 - Miles	10 - Miles
Furniture and Home Furnishings Stores	54,965	145,126	217,849	0
Electronics and Appliance Stores	25,516	0	0	0
Building Material, Garden Equip Stores	69,827	216,061	800,446	3,621,772
Food and Beverage Stores	0	0	0	0
Health and Personal Care Stores	29,438	45,085	379,945	0
Clothing and Clothing Accessories Stores	87,020	63,354	517,056	0
Sporting Goods, Hobby, Book, Music Stores	38,883	124,928	272,235	503,868
General Merchandise Stores	0	0	0	1,973,743
Miscellaneous Store Retailers	2,724	0	0	0
Foodservice and Drinking Places	84,300	0	0	0
Total (Square Feet)	392,672	594,554	2,187,532	6,099,384

Source: Claritas; KMA

TABLE 10

1st QUARTER 2013 RETAIL MARKET - LOS ANGELES COUNTY
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

Submarket	Square Feet (Total Inventory)	Square Feet Vacant ¹	Vacancy Rate ¹	Net Absorption Current Qtr	Under Construction	Competitions Current Qtr	Average Asking Rent ²
Super Regional/Regional Malls	28,610,400	944,143	3.3%	(56,400)	-	-	\$4.80
Power Centers	11,854,400	889,080	7.5%	(38,900)	-	-	\$2.84
Lifestyle Centers	5,260,500	194,639	3.7%	58,800	200,000	-	\$3.07
Community/Neighborhood Ctrs	78,916,900	5,760,934	7.3%	71,800	16,600	-	\$2.31
Strip Centers	30,156,900	2,683,964	8.9%	43,800	83,000	22,200	\$1.61
Single Tenat Bldgs.	65,893,800	2,108,602	3.2%	148,900	42,100	8,700	\$2.09
Market Total	220,692,900	12,581,361	5.7%	228,000	341,700	30,900	\$2.36

(1) Includes vacant space which is available for direct lease and sublease.

(2) Weighted by available direct lease space. PSF Per Month. Triple Net (NNN).

Source: Colliers International

TABLE 11

**2nd QUARTER 2013 RETAIL MARKET - LOS ANGELES COUNTY
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

Submarket	Square Feet (Total Inventory)	Square Feet Vacant	Availability Rate ¹	Net Absorption YTD	Under Construction	Square Ft Planned	Average Asking Rent ²
Southeast LA	18,561,455	1,325,288	7.1%	301,246	18,531	45,848	\$1.69
South Bay	64,701,195	3,810,900	5.9%	1,225,061	69,332	745,643	\$1.51
Burbank/Glendale/Pasadena	50,570,688	2,467,850	4.9%	861,377	10,500	563,496	\$2.48
Antelope Valley	15,498,175	1,529,670	9.9%	175,206	-	2,061,348	\$1.20
Downtown	22,180,687	1,619,190	7.3%	484,955	28,561	239,272	\$2.06
Mid-Cities	44,705,178	3,692,648	8.3%	938,516	132,900	1,742,495	\$1.57
Mid-Wilshire	32,450,877	1,836,720	5.7%	902,000	2,300	349,730	\$3.13
San Fernando Valley	47,906,810	3,487,616	7.3%	994,560	79,421	1,200,634	\$1.87
San Gabriel Valley	58,977,344	4,718,188	8.0%	1,128,308	233,500	906,582	\$1.53
Santa Clarita Valley	12,619,569	1,084,021	8.6%	207,449	4,500	167,091	\$1.86
Ventura North	18,128,991	1,250,900	6.9%	345,982	-	160,252	\$1.66
Ventura South	25,208,800	1,804,950	7.2%	404,405	6,000	996,686	\$1.48
West LA	36,955,151	2,645,989	7.2%	943,548	220,956	1,703,283	\$3.69
Los Angeles Market Total	448,464,920	31,273,929	7.0%	8,912,613	806,501	10,882,360	\$1.97

(1) Includes vacant space which is available for direct lease and sublease.

(2) Weighted by available direct lease space. PSF Per Month. Triple Net (NNN).

Source: Voil Real Estate Services

Prepared by: Keyser Marston Associates, Inc.
Filename: Inglewood Market Study Tables-v6; T11; 3/11/2014

TABLE 12

**MARKET AREA RETAIL LEASE RATE COMPARABLES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

No.	Address	City	Property Type	Asking Rate	Building Type	Building Size	SF Available	Vacancy
1	129 N. Market	Inglewood	Restaurant	\$2.25	NNN	1,800	1,800	100%
2	1233 La Brea Ave	Inglewood	Street Retail	\$1.25	NNN	3,200	3,200	100%
3	404 Warren Ln	Inglewood	Free Standing	\$1.06	NNN	1,599	1,599	100%
4	215 S. Market St.	Inglewood	Street Retail	\$1.25	NNN	17,200	9,000	52%
5	313 W. Arbor Vitae	Inglewood	Strip Center	\$2.50	NNN	8,459	990	23%
				\$2.25	NNN	922		
6	3561 Century Blvd.	Inglewood	Retail Pad	\$3.75	NNN	1,532	1,532	100%
7	806 N. La Brea Ave	Inglewood	Street Retail	\$4.17	NNN	32,400	1,000	3%
8	128 S. La Brea Ave	Inglewood	Street Retail	\$1.75	NNN	5,000	5,000	100%
9	630 N. La Brea Ave	Inglewood	Retail	\$3.00	MG	16,268	500	48%
				\$1.93	MG	1,500		
				\$2.38	MG	840		
				\$1.50	MG	5,000		
10	219 E. Hillcrest Blvd	Inglewood	Free Standing	\$1.15	NNN	5,947	4,277	72%
11	1039 N. La Brea Ave	Inglewood	Strip Center	\$1.00	NNN	5,400	1,350	25%
12	1322 N. La Brea Ave.	Inglewood	Street Retail	\$1.12	NNN	2,280	1,478	65%
13	120 S. Eucalyptus Ave	Inglewood	Strip Center	\$2.20	NNN	6,000	545	9%
14	1300 Centinela Ave.	Inglewood	Restaurant	\$1.75	NNN	6,491	1,418	22%
15	1117 W. Manchester Blvd	Inglewood	Street Retail	\$1.50	NNN	36,000	5,000	14%
16	10000 Hawthorne Blvd	Inglewood	Retail	\$2.45	NNN	12,760	1,000	8%
17	1295 S. La Brea	Inglewood	Strip Center	\$2.25	NNN	1,000	1,000	100%
18	425 E. Manchester	Inglewood	Strip Center	\$2.50	NNN	17,354	6,000	35%
19	100 S. Market St.	Inglewood	Street Retail	\$1.50	MG	23,472	12,000	61%
				\$1.75	MG	720		
				\$1.75	MG	700		
				\$1.65	MG	930		
20	157 N. Market	Inglewood	Strip Center	\$1.61	MG	17,410	620	43%
				\$0.90	MG	6,806		
21	11202 Crenshaw	Inglewood	Neighborhood Ctr.	\$2.25	NNN	160,280	1,760	1%
22	3018 Manchester Blvd.	Inglewood	Strip Center	\$2.00	NNN	5,100	966	19%
Lease Rate Range				\$0.90 - \$4.17				
Weighted Average Lease Rate				\$1.66				

Source: LoopNet.com 2013

TABLE 13

**MARKET AREA RETAIL BUILDING SALES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

<u>No.</u>	<u>Building Type</u>	<u>Address</u>	<u>City / Neighborhood</u>	<u>Sale Date</u>	<u>Year Built</u>	<u>RBA (SF)</u>	<u>Sales Price</u>	<u>Price Per SF</u>
1	Retail Storefront	8414-8416 S. 8th Ave	Inglewood	9/12/2013	1958	1,800	\$230,000	\$128
2	Retail Storefront/Residential	321 W. Arbor Vitae St	Inglewood	7/18/2013	1958	4,753	\$700,000	\$147
3	Strip Center	2208 W. Arbor Vitae St	Inglewood	6/13/2013	1929	5,989	\$1,450,000	\$242
4	Freestanding Retail	4490 Century Blvd	Inglewood	5/11/2013	1985	2,320	\$330,500	\$142
5	Freestanding Retail	4421 W. Century Blvd	Inglewood	6/4/2013	1947	2,969	\$280,000	\$94
6	Retail Storefront	4761 W. Century Blvd	Inglewood	12/27/2012	1956	5,000	\$575,000	\$115
7	Freestanding Retail	4919 W. Century Blvd	Inglewood	6/18/2012	1963	2,850	\$525,000	\$184
8	Freestanding Retail	8451 Crenshaw Blvd	Inglewood	10/15/2012	1962	22,053	\$3,325,000	\$151
9	Auto Dealership	10220 Hawthorne Blvd	Inglewood	9/29/2012	1971	1,511	\$311,000	\$206
10	Strip Center	10321 Hawthorne Blvd	Inglewood	5/1/2013	1990	5,312	\$600,000	\$113
11	Auto Dealership	10603-10613 Hawthorne Blvd	Inglewood	5/29/2012	NA	820	\$612,000	\$746
12	Freestanding Retail	4549 W. Imperial Hwy	Inglewood	7/20/2012	1922	1,304	\$510,000	\$391
13	Freestanding Retail	10703 S. Inglewood Ave	Inglewood	7/10/2012	1994	5,013	\$1,000,000	\$199
14	Freestanding Retail	225 N. La Brea Ave	Inglewood	10/12/2012	1994	3,147	\$2,175,000	\$691
15	Freestanding Retail	811 N. La Brea Ave	Inglewood	5/7/2013	1956/2013	12,221	\$3,525,000	\$288
16	Freestanding Retail	811 N. La Brea Ave	Inglewood	5/4/2012	1956	12,221	\$2,100,000	\$172
17	Retail Supermarket	950 N. La Brea Ave	Inglewood	2/1/2013	1979	34,035	\$5,100,000	\$150
18	Retail Storefront/Office	1101 N. La Brea Ave	Inglewood	1/23/2013	1925	3,762	\$480,000	\$128
19	Retail Day Care Center	1206 N. La Brea Ave	Inglewood	6/7/2013	1925	1,139	\$110,000	\$97
20	Retail Restaurant	1314 N. La Brea Ave	Inglewood	12/21/2011	1945	2,100	\$310,000	\$148
21	Auto Repair	670 S. La Brea Ave	Inglewood	6/17/2013	NA	1,150	\$90,000	\$78
22	Auto Dealership	1050 S. La Brea Ave	Inglewood	8/5/2013	1952	4,165	\$865,000	\$208
23	Freestanding Retail	1112 S. La Brea Ave	Inglewood	1/8/2013	1946	14,337	\$836,500	\$58
24	Retail Storefront	202 E. Manchester Blvd	Inglewood	2/25/2013	1977	3,251	\$680,000	\$209
25	Retail Storefront	2707-2711 W. Manchester Ave	Inglewood	4/9/2012	1938	3,000	\$290,000	\$97
26	Retail Storefront/Office	201 W. Manchester Blvd	Inglewood	12/15/2011	1988	4,100	\$375,000	\$91
27	Retail Storefront/Residential	227 W. Manchester Blvd	Inglewood	8/23/2012	1952	4,429	\$336,000	\$76
28	Retail Storefront/Residential	227 W. Manchester Blvd	Inglewood	8/23/2012	1952	4,419	\$238,000	\$54
29	Retail Storefront/Residential	233 W. Manchester Blvd	Inglewood	8/9/2012	1946	3,879	\$336,000	\$87
30	Strip Center	303 W. Manchester Blvd	Inglewood	11/9/2011	2008	7,574	\$1,605,000	\$212
31	Retail Storefront	2623-2625 W. Manchester Blvd	Inglewood	10/20/2011	1946	1,750	\$165,000	\$94
32	Retail Storefront/Residential	2631 W. Manchester Blvd	Inglewood	12/16/2011	1939	3,000	\$210,000	\$70
33	Retail Storefront	2639 W. Manchester Blvd	Inglewood	2/7/2013	1948	3,050	\$206,000	\$68

TABLE 13

**MARKET AREA RETAIL BUILDING SALES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

<u>No.</u>	<u>Building Type</u>	<u>Address</u>	<u>City / Neighborhood</u>	<u>Sale Date</u>	<u>Year Built</u>	<u>RBA (SF)</u>	<u>Sales Price</u>	<u>Price Per SF</u>
34	Fast Food Bldg	3107 W. Manchester Blvd	Inglewood	4/20/2012	2002	2,756	\$725,000	\$263
35	Retail Storefront	128-132 S. Market St	Inglewood	5/24/2013	1923	4,450	\$550,000	\$124
36	Retail Storefront	215-217 S. Market St	Inglewood	4/24/2013	1942	18,000	\$1,050,000	\$58
37	Freestanding Retail	11154 S. Prairie Ave	Inglewood	2/11/2013	1943	5,201	\$760,000	\$146
Weighted Average								\$153
Minimum Price/SF								\$54
Maximum Price/SF								\$746

Note: Sales data from 10/2/2011 - 10/2/2013; Sales covering the City of Inglewood; Bulk portfolio sales, multi-property sales, non-arms length transactions, condominium unit sales, and transactions without a sales price were excluded.

Source: Costar 10/2013

TABLE 14

LOS ANGELES BASIN OFFICE MARKET PERFORMANCE

INGLEWOOD LRPMP

INGLEWOOD, CALIFORNIA

Quarter	Buildings	Square Feet (Total Inventory)	Square Feet Vacant	Vacancy Rate ¹	Net Absorption (Year-to-date)	Under Construction	Average Asking Rent ² (Class A)
4th Quarter 2011	3,135	302,633,100	56,289,757	18.6%	1,711,300	1,707,600	\$2.27
1st Quarter 2012	3,130	302,633,100	56,592,390	18.7%	(197,000)	1,900,500	\$2.26
2nd Quarter 2012	3,128	302,537,100	55,364,289	18.3%	1,005,500	2,013,400	\$2.26
3rd Quarter 2012	3,128	302,537,100	54,759,215	18.1%	1,323,000	2,033,600	\$2.26
4th Quarter 2012	3,129	302,955,600	54,229,052	17.9%	2,226,600	1,823,200	\$2.27
1st Quarter 2013	3,090	301,238,300	53,017,941	17.6%	(210,100)	2,756,600	\$2.28

(1) Calculation based on total vacancy.

(2) Weighted by available direct lease space. PSF Per Month. Full Service Gross (FSG).

TABLE 15

2nd QUARTER 2013 OFFICE MARKET - LOS ANGELES COUNTY
 INGLEWOOD LRPMP
 INGLEWOOD, CALIFORNIA

Submarket	Square Feet (Total Inventory)	Square Feet Vacant	Availability Rate ¹	Net Absorption YTD	Under Construction	Square Ft Planned	Average Asking Rent ²
South Bay	50,253,652	10,090,933	20.1%	1,114,247	986,450	1,987,415	\$1.98
Southeast LA	5,583,840	647,167	11.6%	149,013	-	170,000	\$1.82
Burbank/Glendale/Pasadena	38,983,794	6,623,347	17.0%	1,057,584	41,200	865,500	\$2.68
Antelope Valley	1,496,227	203,936	13.6%	49,493	-	180,000	\$0.00
Downtown	64,414,151	10,422,210	16.2%	1,277,841	95,002	1,755,921	\$2.15
Mid-Cities	4,684,136	483,403	10.3%	172,567	-	27,000	\$1.97
Mid-Wilshire	30,771,783	5,898,951	19.2%	926,462	-	777,601	\$2.10
San Fernando Valley	27,059,396	4,329,503	16.0%	1,021,935	-	609,098	\$2.09
San Gabriel Valley	19,005,847	2,366,228	12.5%	472,294	-	1,205,968	\$1.98
Santa Clarita Valley	3,484,184	630,289	18.1%	92,086	102,113	246,814	\$2.41
Ventura North	3,676,963	786,502	21.4%	69,842	-	103,234	\$1.88
Ventura South	15,861,608	3,107,289	19.6%	574,790	-	820,012	\$2.06
West LA	61,199,387	10,416,136	17.0%	2,647,487	-	1,697,554	\$3.32
Los Angeles Market Total	326,474,968	56,005,893	17.2%	9,625,641	1,224,765	10,446,117	\$2.32

(1) Includes vacant space which is available for direct lease and sublease.

(2) Weighted by available direct lease space. PSF Per Month. Full Service Gross (FSG).

Source: Voit Real Estate Services

Prepared by: Keyser Marston Associates, Inc.
 Filename: Inglewood Market Study Tables-v6; T15; 3/11/2014

TABLE 16

MARKET AREA OFFICE LEASE RATE COMPARABLES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

No.	Address	City	Property Type	Asking Rate	Building Type	Building Size	SF Available	Vacancy
1	2930 W. Imperial Hwy	Inglewood	Office	\$1.50	FSG	85,000	7,175	10%
				\$1.65	FSG		1,225	
				\$1.75	FSG		480	
2	116 S. Market St.	Inglewood	Medical Office	\$1.25	FSG	1,400	1,400	100%
3	10321 Hawthorne Blvd.	Inglewood	Medical Office	\$1.75	NNN	5,312	2,516	47%
4	215 S. Market	Inglewood	Office	\$1.25	MG	18,000	1,200	7%
5	8901 S. La Cienega	Inglewood	Creative/Loft	\$1.95	FSG	18,520	1,200	12%
				\$1.65	FSG		1,000	
6	101 N. La Brea	Inglewood	Office	\$1.35	FSG	170,637	140,585	82%
7	150 W. Ivy	Inglewood	Creative/Loft	\$0.62	MG	9,600	3,500	36%
8	219 E. Hillcrest Blvd	Inglewood	Office	\$1.15	NNN	5,947	4,277	72%
9	9320 La Cienega Blvd	Inglewood	Office	\$0.99	NNN	8,000	4,352	54%
10	301 N. Prairie Ave.	Inglewood	Office	\$1.25	FSG	84,933	39,909	50%
				\$1.35	FSG		2,840	
11	317 Isis Ave	Inglewood	Office	\$0.95	MG	14,350	3,280	23%
12	11222 S. La Cienega	Inglewood	Office	\$1.50	FSG	94,800	15,000	16%
13	100 S. Market St.	Inglewood	Office	\$2.25	MG	23,472	2,000	9%
	335 E. Manchester	Inglewood	Medical Office	\$1.30	MG	13,335	13,000	97%
14	1031 W. Manchester Blvd.	Inglewood	Office-R&D	\$1.00	MG	58,560	1,490	3%
Lease Rate Range				\$0.62 - \$2.25				
Weighted Average Lease Rate				\$1.33				

Source: LoopNet.com 2012

Prepared by: Keyser Marston Associates, Inc.

Filename: Inglewood Market Study Tables-v6; T16; 3/11/2014

TABLE 17

**POTENTIAL OFFICE DEMAND IN CITY OF INGLEWOOD
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

Information	-----Estimated Office Demand-----			
	2013	2018	2023	2028
Information				
Employment	413	434	457	480
Change		21	22	23
Office Employment Percentage		50%	50%	50%
Square Feet/Employee		220	220	220
Total Square Footage		2,300	2,500	2,600
Real Estate/Rental/Leasing				
Employment	1,234	1,295	1,360	1,427
Change		61	64	68
Office Employment Percentage		75%	75%	75%
Square Feet/Employee		220	220	220
Total Square Footage		10,100	10,600	11,100
Professional & Business Services				
Employment	2,289	2,522	2,780	3,063
Change		233	257	284
Office Employment Percentage		80%	80%	80%
Square Feet/Employee		220	220	220
Total Square Footage		41,100	45,300	49,900
Financial Activities				
Employment	628	660	693	729
Change		32	33	35
Office Employment Percentage		80%	80%	80%
Square Feet/Employee		220	220	220
Total Square Footage		5,600	5,900	6,200
Balance of Employment				
Employment	25,785	27,710	29,778	32,000
Change		1,925	2,068	2,223
Office Employment Percentage		5%	5%	5%
Square Feet/Employee		220	220	220
Total Square Footage		21,200	22,800	24,400
Total				
Employment	30,349	32,621	35,067	37,699
Change		2,272	2,446	2,632
Total Square Footage		80,300	87,100	94,200
Total Square Footage Through Term of Projection		80,300	167,400	261,600

Source: Projections based on California Economic Development Department employment projections (2010-2020) for LA County. Employment Percentage and square footage assumptions made by KMA.

Prepared by: Keyser Marston Associates, Inc.

Filename: Inglewood Market Study Tables-v6; T17; 3/11/2014

TABLE 18

OFFICE BUILDING SALES COMPARABLES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

No.	Building Type	Address	City / Neighborhood	Sale Date	Year Built	RBA (SF)	Sales Price	Price Per SF
1	Class C Medical	100 W. 64th St	Inglewood	4/12/2013	1947	3,369	\$337,000	\$100
2	Class C Office	4635 W. Century Blvd	Inglewood	3/26/2013	1959	2,192	\$360,000	\$164
3	Class C Office/Residential	11025 Crenshaw Blvd	Inglewood	2/28/2012	1922	2,300	\$530,000	\$230
4	Class C Medical	3514 W. Imperial Hwy	Inglewood	4/11/2012	1968	7,274	\$1,225,000	\$168
5	Class C Office	1200 N. La Brea Ave	Inglewood	2/12/2013	1948	3,512	\$275,000	\$78
6	Class C Office	1301 N. La Brea Ave	Inglewood	2/13/2012	1944	1,215	\$143,000	\$118
7	Class C Medical	400 S. La Brea Ave	Inglewood	6/1/2012	1963	8,550	\$1,050,000	\$123
8	Class C Office	335 E. Manchester Blvd	Inglewood	8/26/2013	1947	13,035	\$475,000	\$36
9	Class C Office	100 E. Nutwood St	Inglewood	10/26/2011	1952	27,516	\$2,800,000	\$102
10	Class C Office	109 E. Tamarack Ave	Inglewood	7/2/2013	1943	1,647	\$150,000	\$91
Weighted Average								\$104
Minimum Price/SF								\$36
Maximum Price/SF								\$230

Note: Sales data from 10/2/2011 - 10/2/2013; Sales covering the City of Inglewood; Bulk portfolio sales, multi-property sales, non-arms length transactions, condominium unit sales, and transactions without a sales price were excluded.

Source: Costar 10/2013

Prepared by: Keyser Marston Associates, Inc.

Filename: Inglewood Market Study Tables-v6; T18: 3/11/2014

TABLE 19

1st QUARTER 2013 INDUSTRIAL MARKET - LOS ANGELES COUNTY
 INGLEWOOD LRPMP
 INGLEWOOD, CALIFORNIA

Submarket	Buildings	Square Feet (Total Inventory)	Square Feet Available	Availability Rate ¹	Leasing Act. (Year-to-date)	Net Absorption (Year-to-date)	Under Construction	Average Asking Rent ²
Central LA	4,170	191,106,300	12,421,910	6.5%	1,544,400	450,700	623,300	\$0.60
San Fernando Valley	4,741	176,763,000	13,610,751	7.7%	1,377,000	130,900	45,000	\$0.55
San Gabriel Valley	3,521	151,111,100	8,613,333	5.7%	2,404,900	997,900	363,000	\$0.45
Mid Counties	1,974	102,016,600	6,937,129	6.8%	1,504,600	581,300	805,600	\$0.48
Market Total	14,406	620,997,000	41,583,122	6.7%	6,830,900	2,160,800	1,836,900	\$0.53

(1) Calculation based on total available square footage.

(2) Weighted by available direct lease space. PSF Per Month. Triple Net (NNN).

Source: Colliers International

TABLE 20

FLEXLOGISTICS LEASE RATE COMPARABLES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

No.	Address	City	Property Type	Asking		Building	SF Available	Vacancy
				Rate	Type	Size		
1	3716 W. 102nd St.	Inglewood	Warehouse	\$0.85	IndG	12,483	1,150	9%
2	452 N. Oak St.	Inglewood	Distribution	\$0.85	IndG	26,821	13,511	50%
3	498. N. Oak St.	Inglewood	Distribution	\$0.81	IndG	216,300	64,000	30%
4	1008 W. Hillcrest	Inglewood	Distribution	\$1.43	MG	17,600	1,650	9%
5	723 S. Glasgow	Inglewood	Flex Space	\$1.44	MG	18,500	1,371	7%
6	423 S. Hindry	Inglewood	Flex Space	\$1.33	MG	88,000	2,272	3%
7	440 S. Hindry	Inglewood	Flex Space	\$1.12	MG	88,000	3,156	4%
8	924 W. Hillcrest	Inglewood	Warehouse	\$1.15	MG	24,000	12,400	52%
9	301 N. Oak St.	Inglewood	Manufacturing	\$0.92	IndG	53,420	30,540	57%
10	8717 Aviation Blvd.	Inglewood	Warehouse	\$0.86	NNN	6,190	6,190	100%
11	8729 Aviation Blvd.	Inglewood	Warehouse	\$0.93	IndG	17,465	17,465	100%
12	1031 W. Manchester	Inglewood	Warehouse	\$0.96	IndG	58,560	11,660	20%
13	9320 La Cienega	Inglewood	Flex Space	\$0.99	NNN	4,352	8,000	184%
14	332 S. Hindry	Inglewood	Distribution	\$0.85	MN	18,560	12,950	70%
15	828 Hillcrest Blvd.	Inglewood	Warehouse	\$1.05	MG	13,000	13,000	100%
16	1031 W. Manchester	Inglewood	Distribution	\$1.00	IndG	58,560	5,830	10%
17	3738 W. Century Blvd.	Inglewood	Warehouse	\$0.81	IndG	23,600	23,600	100%

Lease Rate Range	\$0.81 - \$1.44
Weighted Average Lease Rate	\$0.91

Source: LoopNet.com 2013

Prepared by: Keyser Marston Associates, Inc.

Filename: Inglewood Market Study Tables-v6; T20; 3/1/2014

TABLE 21

INDUSTRIAL BUILDING SALES COMPARABLES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

<u>No.</u>	<u>Building Type</u>	<u>Address</u>	<u>City / Neighborhood</u>	<u>Sale Date</u>	<u>Year Built</u>	<u>RBA (SF)</u>	<u>Sales Price</u>	<u>Price Per SF</u>
1	Class C Warehouse	371-375 E. Beach Ave	Inglewood	5/31/2012	1956	7,326	\$660,000	\$90.09
2	Class C Warehouse	211 W. Beach Ave	Inglewood	5/10/2013	1960	4,900	\$710,000	\$144.90
3	Class B Service	1213-1217 Centinela Ave	Inglewood	7/25/2013	1954	11,060	\$1,200,000	\$108.50
4	Class C Warehouse	1236 S. Flower St	Inglewood	6/18/2013	1958	2,365	\$250,000	\$105.71
5	Class B Manufacturing	112 Glasgow Ave	Inglewood	12/19/2011	1963	16,478	\$2,930,000	\$177.81
6	Class C Industrial	234 Hindry Ave	Inglewood	12/3/2012	1949	11,952	\$1,600,000	\$133.87
7	Class C Warehouse	4520-4532 W. Imperial Hwy	Inglewood	6/27/2013	1978	9,160	\$1,225,000	\$133.73
8	Class C Manufacturing	405 S. Isis Ave	Inglewood	8/5/2013	1953/2010	14,631	\$1,250,000	\$85.44
9	Class C Manufacturing	150 W. Ivy Ave	Inglewood	12/23/2011	1949	23,237	\$1,700,000	\$73.16

Weighted Average \$114
 Minimum Price/SF \$73
 Maximum Price/SF \$178

Note: Sales data from 10/2/2011 - 10/2/2013; Sales covering the City of Inglewood; Bulk portfolio sales, multi-property sales, non-arms length transactions, condominium unit sales, and transactions without a sales price were excluded.

Source: Costar 10/2013

TABLE 22

INGLEWOOD HOME SALES - 2008 - 2012

INGLEWOOD LRPMP

INGLEWOOD, CALIFORNIA

2008

City	Zip	Units	Single Family Home			Units	Condominiums Condo	
			Median Price	Change from 2007	Home Price/SF		Median Price	Change from 2007
Inglewood	90301	45	\$320,000	-31.90%	\$303	21	\$245,000	-22.20%
Inglewood	90302	61	\$305,000	-40.20%	\$300	32	\$228,000	-27.60%
Inglewood	90303	48	\$330,000	-34.00%	\$243	1	\$300,000	-27.70%
Inglewood	90304	40	\$305,000	-38.90%	\$297	3	\$211,000	-31.90%
Inglewood	90305	84	\$390,000	-27.10%	\$253	19	\$348,000	-21.90%
LA County		45,596	\$400,000	-28.60%	\$279	12,802	\$369,000	-14.20%

2009

City	Zip	Units	Single Family Home			Units	Condominiums Condo	
			Median Price	Change from 2007	Home Price/SF		Median Price	Change from 2007
Inglewood	90301	73	\$249,000	-22.90%	\$229	57	\$130,000	-46.90%
Inglewood	90302	90	\$222,000	-27.20%	\$212	70	\$116,000	-49.30%
Inglewood	90303	92	\$270,000	-17.60%	\$201	0	\$0	0.00%
Inglewood	90304	92	\$253,000	-17.20%	\$247	5	\$195,000	-15.90%
Inglewood	90305	52	\$320,000	-18.00%	\$192	29	\$283,000	-18.70%
LA County		57,432	\$315,000	-21.30%	\$226	16,663	\$307,000	-16.80%

2010

City	Zip	Units	Single Family Home			Units	Condominiums Condo	
			Median Price	Change from 2007	Home Price/SF		Median Price	Change from 2007
Inglewood	90301	75	\$245,000	-1.40%	\$219	51	\$115,000	-14.80%
Inglewood	90302	97	\$230,000	3.60%	\$225	81	\$130,000	12.60%
Inglewood	90303	85	\$260,000	-3.70%	\$205	3	\$230,000	0.00%
Inglewood	90304	45	\$233,000	-7.70%	\$235	6	\$166,000	-14.90%
Inglewood	90305	103	\$327,000	2.10%	\$195	34	\$252,000	-10.80%
LA County		54,777	\$340,000	7.90%	\$240	17,491	\$300,000	-2.30%

TABLE 22

INGLEWOOD HOME SALES - 2008 - 2012
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

2011

City	Zip	Units	Single Family Home			Condominiums Condo		
			Median Price	Change from 2007	Home Price/SF	Units	Median Price	Change from 2007
Inglewood	90301	73	\$230,000	-6.10%	\$198	54	\$105,000	-8.70%
Inglewood	90302	93	\$245,000	6.50%	\$212	86	\$107,000	-18.10%
Inglewood	90303	94	\$259,000	-0.40%	\$188	3	\$225,000	-2.20%
Inglewood	90304	51	\$220,000	-5.60%	\$199	4	\$292,000	76.10%
Inglewood	90305	126	\$306,000	-6.20%	\$193	34	\$225,000	-10.90%
LA County		53,437	\$325,000	-4.40%	\$230	16,941	\$275,000	-8.30%

2012

City	Zip	Units	Single Family Home			Condominiums Condo		
			Median Price	Change from 2007	Home Price/SF	Units	Median Price	Change from 2007
Inglewood	90301	77	\$232,000	0.70%	\$185	71	\$96,000	-8.80%
Inglewood	90302	97	\$247,000	0.80%	\$212	78	\$97,000	-13.90%
Inglewood	90303	96	\$259,000	-0.20%	\$188	3	\$65,000	-71.10%
Inglewood	90304	40	\$225,000	2.00%	\$227	6	\$106,000	-54.90%
Inglewood	90305	170	\$307,000	0.10%	\$188	28	\$202,000	-10.00%
LA County		59,561	\$340,000	4.60%	\$237	19,617	\$285,000	3.60%

TABLE 23**HISTORIC INGLEWOOD MARKET RENTS
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

Year	Average Asking Rent	Average Effective Rent	Average Vacancy
2008	\$1,043	\$1,008	3.4%
2009	\$996	\$970	5.3%
2010	\$1,017	\$998	3.5%
2011	\$1,025	\$1,005	3.6%
2012	\$1,030	\$1,022	3.1%
2013 (1st Quarter)	\$1,031	\$1,023	2.9%
2013 (2nd Quarter)	\$1,031	\$1,022	2.5%
2013 (Projection)	\$1,035	\$1,026	2.3%
2014 (Projection)	\$1,056	\$1,045	2.6%
2015 (Projection)	\$1,076	\$1,065	3.1%
2016 (Projection)	\$1,097	\$1,085	3.5%
2017 (Projection)	\$1,124	\$1,106	4.0%

Source: REIS - Submarket Trend Futures

TABLE 24

CURRENT INGLEWOOD MARKET RENTS (2ND QUARTER 2013)
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

Unit Type	Units in Sample	Average Square Feet	Average Rent	Average Rent PSF
Studio / Efficiency	901	504	\$811	\$1.61
One Bedroom	11,002	786	\$936	\$1.19
Two Bedroom	8,195	974	\$1,167	\$1.20
Three Bedroom	389	1,148	\$1,351	\$1.18
Overall	20,488	856	\$1,031	\$1.20

Source: REIS - Submarket Trend Futures

TABLE 25

MULTIFAMILY BUILDING SALES COMPARABLES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

<u>No.</u>	<u>Building Type</u>	<u>Address</u>	<u>Sale Date</u>	<u>Year Built</u>	<u>Number of Units</u>	<u>GBA (SF)</u>	<u>Sales Price</u>	<u>Price Per SF</u>	<u>Price Per Unit</u>
1	Class B Apartments	114 W. 64th Pl	10/21/2011	2004	6	7,661	\$1,120,000	\$146	\$186,667
2	Class C Apartments	411 E. 97th St	5/2/2012	1963	8	10,108	\$925,000	\$92	\$115,625
3	Class C Apartments	533 E. 97th St	6/21/2012	1960	9	7,726	\$840,000	\$109	\$93,333
4	Class C Apartments	3627 W. 104th St	8/23/2013	1964	55	50,392	\$6,150,000	\$122	\$111,818
5	Class C Apartments	830 N. Acacia St	3/29/2013	1957	24	13,660	\$2,370,000	\$173	\$98,750
6	Class C Apartments	124 E. Buckthorn St	2/16/2012	1959	9	7,723	\$870,000	\$113	\$96,667
7	Class C Apartments	5112 E. Buckthorn St	2/13/2013	1990	6	5,268	\$885,000	\$168	\$147,500
8	Class C Apartments	8500 Byrd Ave	12/21/2012	1951	9	8,669	\$990,000	\$114	\$110,000
9	Class B Apartments	10942 Crenshaw Blvd	5/30/2013	1956	5	8,030	\$1,040,000	\$130	\$208,000
10	Class C Apartments	452 Edgewood St	5/28/2013	1960	9	7,997	\$980,500	\$123	\$108,944
11	Class C Apartments	721 Edgewood	8/1/2013	1961	24	21,071	\$2,850,000	\$135	\$118,750
12	Class C Apartments	917 Edgewood	8/10/2012	1956	12	9,876	\$1,125,000	\$114	\$93,750
13	Class C Apartments	455 N. Edgewood	5/22/2013	1962	11	9,342	\$1,400,000	\$150	\$127,273
14	Class C Apartments	10218 England Ave	5/23/2013	1956	8	5,495	\$827,500	\$151	\$103,438
15	Class C Apartments	811 N. Euclalyptus Ave	12/14/2012	1976	NA	77,316	\$11,600,000	\$150	NA
16	Class C Apartments	903 N. Euclalyptus Ave	6/21/2013	1963	8	6,984	\$972,500	\$139	\$121,563
17	Class C Apartments	110 S. Euclalyptus Ave	6/7/2013	1987	7	7,280	\$950,000	\$130	\$135,714
18	Class C Apartments	600 Evergreen St	3/21/2013	1961	6	6,130	\$844,500	\$138	\$140,750
19	Class C Apartments	10901 S. Freeman Ave	5/6/2013	1924	9	5,188	\$875,000	\$169	\$97,222
20	Class C Apartments	620-621 Hardin Dr	12/14/2011	1957	10	9,322	\$1,225,000	\$131	\$122,500
21	Class C Apartments	527 E. Hazel St	9/26/2012	1959	8	8,792	\$885,000	\$101	\$110,625
22	Class C Apartments	501 Hyde Park Pl	7/16/2013	1985	12	11,040	\$1,710,000	\$155	\$142,500
23	Class C Apartments	316 E. Hyde Park Blvd	10/18/2011	1980	8	7,521	\$875,000	\$116	\$109,375
24	Class C Apartments	404 E. Hyde Park Blvd	1/3/2013	1964	15	13,535	\$1,875,000	\$139	\$125,000
25	Class B Apartments	718 N. Inglewood Ave	3/29/2013	1964	26	25,330	\$3,470,000	\$137	\$133,462
26	Class C Apartments	808 E. Kelso St	4/16/2013	1984	18	15,116	\$2,350,000	\$155	\$130,556
27	Class C Apartments	118 W. Kelso St	11/30/2012	1920	12	12,350	\$1,150,000	\$93	\$95,833
28	Class C Apartments	917 Kenwood St	6/28/2013	1988	8	8,086	\$1,025,000	\$127	\$128,125
29	Class C Apartments	804 Larch St	8/8/2013	1989	9	10,682	\$1,200,000	\$112	\$133,333
30	Class C Apartments	924 Larch St	10/6/2011	1963	16	13,602	\$1,638,000	\$120	\$102,375
31	Class C Apartments	632 Manchester Terrace	2/23/2012	1969	7	9,563	\$915,000	\$96	\$130,714

TABLE 25

MULTIFAMILY BUILDING SALES COMPARABLES
INGLEWOOD LRMP
INGLEWOOD, CALIFORNIA

No.	Building Type	Address	Sale Date	Year Built	Number of		GBA (SF)	Sales Price	Price Per	
					Units				SF	Unit
32	Class C Apartments	520 N. Market St	3/8/2013	1962	8		5,920	\$850,000	\$144	\$106,250
33	Class C Apartments	1022 N. Market St	11/27/2012	1959	11		5,286	\$970,000	\$184	\$88,182
34	Class C Apartments	939 S. Myrtle Ave	3/29/2013	1971	25		15,183	\$2,900,000	\$191	\$116,000
35	Class C Apartments	943 S. Myrtle Ave	8/30/2013	1960	12		10,940	\$1,495,000	\$137	\$124,583
36	Class C Apartments	813 E. Nutwood St	8/23/2013	1988	8		6,848	\$1,075,000	\$157	\$134,375
37	Class C Apartments	520 W. Olive St	10/30/2012	1962	9		8,990	\$1,175,000	\$131	\$130,556
38	Class C Apartments	826 S. Osage Ave	7/31/2013	1966	13		12,388	\$1,885,000	\$152	\$145,000
39	Class C Apartments	205 E. Plymouth St	4/15/2013	1963	15		16,220	\$1,900,000	\$117	\$126,667
40	Class C Apartments	351 E. Plymouth St	9/25/2012	1961	8		10,392	\$958,500	\$92	\$119,813
41	Class C Apartments	337 W. Queen St	4/10/2012	1967	9		9,640	\$1,250,000	\$130	\$138,889
42	Class B Apartments	578 Stepmey St	2/27/2012	1987	9		8,208	\$1,000,000	\$122	\$111,111
43	Class C Apartments	215 E. Tamarack Ave	5/9/2013	1959	10		7,032	\$1,175,000	\$167	\$117,500
44	Class C Apartments	511 Venice Way	2/14/2013	1960	12		8,704	\$1,180,000	\$136	\$98,333
45	Class B Apartments	524 Venice Way	10/31/2011	1987	36		37,250	\$4,350,000	\$117	\$120,833
46	Class C Apartments	530 Venice Way	5/30/2013	1959	12		9,991	\$1,600,000	\$160	\$133,333
47	Class C Apartments	833 Victor Ave	10/13/2011	1959	NA		11,288	\$1,000,000	\$89	NA
48	Class C Apartments	834 Victor Ave	8/7/2013	1958	10		8,054	\$1,365,000	\$169	\$136,500
49	Class C Apartments	868 Victor Ave	12/12/2012	1961	25		19,733	\$2,800,000	\$142	\$112,000
50	Class C Apartments	910-914 Victor Ave	2/7/2013	1958	24		17,685	\$2,755,000	\$156	\$114,792
51	Class C Apartments	10227 S. 10th Ave	7/5/2013	1956	6		4,392	\$510,000	\$116	\$85,000
52	Class C Apartments	10242 S. 10th Ave	10/10/2012	1955	5		4,152	\$500,000	\$120	\$100,000
53	Class C Apartments	2301 W. 80th St	1/20/2012	1940	6		4,946	\$525,000	\$106	\$87,500
54	Class C Apartments	326 E. 99th St	10/5/2012	1942	8		3,435	\$561,000	\$163	\$70,125
55	Class C Apartments	3315 W. 104th St	10/9/2012	1958	8		6,100	\$765,000	\$125	\$95,625
56	Class C Apartments	612 Aerick St	8/27/2013	1957	6		3,870	\$625,000	\$161	\$104,167
57	Class C Apartments	241 E. Buckthorn St	7/25/2012	NA	5		3,261	\$475,000	\$146	\$95,000
58	Class C Apartments	800-804 Cory Dr	3/27/2012	1953	5		4,179	\$580,000	\$139	\$116,000
59	Class C Apartments	10207 Crenshaw Blvd	4/26/2012	1955	6		4,849	\$555,000	\$114	\$92,500
60	Class C Apartments	10235-10239 Crenshaw	10/10/2012	1955	8		6,926	\$800,000	\$116	\$100,000
61	Class C Apartments	10619 Crenshaw Blvd	12/27/2012	1955	5		3,400	\$555,000	\$163	\$111,000
62	Class C Apartments	10625 Crenshaw Blvd	5/16/2013	1955	5		3,316	\$550,000	\$166	\$110,000

TABLE 25

MULTIFAMILY BUILDING SALES COMPARABLES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

<u>No.</u>	<u>Building Type</u>	<u>Address</u>	<u>Sale Date</u>	<u>Year Built</u>	<u>Number of Units</u>	<u>GBA (SF)</u>	<u>Sales Price</u>	<u>Price Per SF</u>	<u>Price Per Unit</u>
63	Class C Apartments	8405-8409 Crenshaw Bl	3/15/2013	1941	6	3,024	\$615,000	\$203	\$102,500
64	Class C Apartments	10222 S. Dixon Ave	7/5/2013	1955	6	4,764	\$565,000	\$119	\$94,167
65	Class C Apartments	713 Edgewood St	12/17/2012	1972	8	6,220	\$805,000	\$129	\$100,625
66	Class C Apartments	10107 England Ave	5/14/2013	1955	5	3,570	\$515,000	\$144	\$103,000
67	Class C Apartments	10110 England Ave	4/26/2013	1955/1978	5	4,471	\$475,000	\$106	\$95,000
68	Class C Apartments	10218 England Ave	5/23/2013	1956	8	5,495	\$827,500	\$151	\$103,438
69	Class C Apartments	112 S. Euclalyplus Ave	3/7/2012	1910	9	3,678	\$400,000	\$109	\$44,444
70	Class C Apartments	1116 Forest St	5/10/2013	1959	7	5,491	\$750,000	\$137	\$107,143
71	Class C Apartments	700 Glenway Dr	7/23/2012	1962	7	6,631	\$790,000	\$119	\$112,857
72	Class C Apartments	504 Grace Ave	4/30/2012	1958	5	4,842	\$530,000	\$109	\$106,000
73	Class C Apartments	512 Grace Ave	12/5/2012	1958	5	8,142	\$615,000	\$76	\$123,000
74	Class C Apartments	640 Hardin Dr	2/29/2012	1956	5	3,977	\$580,000	\$146	\$116,000
75	Class C Apartments	128 E. Hazel St	2/15/2012	1957	8	4,808	\$770,000	\$160	\$96,250
76	Class C Apartments	638 Hill St	11/8/2011	1956	NA	5,718	\$560,000	\$98	NA
77	Class C Apartments	136 W. Hillsdale St	4/19/2013	1971	5	6,070	\$715,000	\$118	\$143,000
78	Class C Apartments	144 W. Hillsdale St	2/29/2012	1964	6	4,876	\$755,000	\$155	\$125,833
79	Class C Apartments	646 Howland Dr	1/10/2013	1955	4	4,796	\$450,000	\$94	\$112,500
80	Class C Apartments	218 E. Hyde Park Blvd	6/18/2013	1961	6	5,554	\$750,000	\$135	\$125,000
81	Class C Apartments	320 E. Hyde Park	10/14/2011	1958	11	7,579	\$825,000	\$109	\$75,000
82	Class C Apartments	2533 W. Imperial Hwy	1/15/2013	1956	6	4,300	\$599,000	\$139	\$99,833
83	Class C Apartments	3713-3717 W. Imperial H	3/13/2013	1942	10	2,520	\$585,000	\$232	\$58,500
84	Class C Apartments	1130 S. Inglewood Ave	10/11/2012	NA	7	4,620	\$625,000	\$135	\$89,286
85	Class C Apartments	230 E. Ivy Ave	11/29/2012	1960	5	6,208	\$525,000	\$85	\$105,000
86	Class B Apartments	234 W. Kelso St	11/30/2012	1958	9	8,124	\$750,000	\$92	\$83,333
87	Class C Apartments	925 Larch St	4/18/2013	1960	6	4,868	\$710,000	\$146	\$118,333
88	Class C Apartments	4310 Lennox Blvd	11/3/2012	1962	5	4,572	\$563,000	\$123	\$112,600
89	Class C Apartments	710 N. Market St	10/30/2012	1958	4	4,340	\$525,000	\$121	\$131,250
90	Class C Apartments	717 N. Market St	4/30/2013	1960	6	5,702	\$750,000	\$132	\$125,000
91	Class C Apartments	912-914 N. Market St	4/1/2013	1956	9	5,041	\$800,000	\$159	\$88,889
92	Class C Apartments	813 E. Nutwood St	11/30/2013	1988	8	6,848	\$771,000	\$113	\$96,375
93	Class C Apartments	504 S. Osage Ave	12/19/2012	1956	6	4,128	\$705,000	\$171	\$117,500

TABLE 25

MULTIFAMILY BUILDING SALES COMPARABLES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

<u>No.</u>	<u>Building Type</u>	<u>Address</u>	<u>Sale Date</u>	<u>Year Built</u>	<u>Number of Units</u>	<u>GBA (SF)</u>	<u>Sales Price</u>	<u>Price Per SF</u>	<u>Price Per Unit</u>
94	Class C Apartments	701 S. Osage Ave	4/8/2013	1961	6	5,797	\$753,750	\$130	\$125,625
95	Class C Apartments	420 W. Queen St	6/15/2012	1962	7	6,064	\$725,000	\$120	\$103,571
96	Class C Apartments	11132 S. Osage Ave	3/16/2012	1965	4	5,778	\$370,000	\$64	\$92,500
97	Class C Apartments	10419 Yukon Ave	1/6/2012	1980	4	4,430	\$280,000	\$63	\$70,000
Weighted Average								\$132	\$112,689
Minimum Price/SF								\$63	\$44,444
Maximum Price/SF								\$232	\$208,000

Note: Sales data from 10/2/2011 - 10/2/2013; Sales covering the City of Inglewood; Bulk portfolio sales, multi-property sales, non-arms length transactions, condominium unit sales, and transactions without a sales price were excluded.

Source: Costar 10/2013

TABLE 26**2007-2013 HOTEL OCCUPANCY RATES¹
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

	LAX Market	Los Angeles County
2007	82.4%	77.0%
2008	80.3%	74.2%
2009	74.0%	67.3%
2010	78.1%	71.4%
2011	82.4%	75.0%
2012 (e)	83.7%	77.7%
2013 (f)	83.5%	78.0%
Average	80.6%	74.4%

E - Estimate
F - Forecast

(1) Source: PKF "The 2013 Southern California Lodging Forecast"

TABLE 27**2007-2013 HOTEL AVERAGE DAILY RATE¹
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

	LAX Market	Los Angeles County
2007	\$103.47	\$165.57
2008	\$105.30	\$170.87
2009	\$92.09	\$151.31
2010	\$90.08	\$153.54
2011	\$96.31	\$163.04
2012 (e)	\$101.21	\$171.54
2013 (f)	\$104.75	\$179.78
Average	\$99.03	\$165.09

E - Estimate
F - Forecast

(1) Source: PKF "The 2013 Southern California Lodging Forecast"

TABLE 28

**2007-2013 HOTEL ANNUAL REVPAR (occupancy x room rate)
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

	LAX Market	Los Angeles County
2007	\$85.30	\$127.42
2008	\$84.56	\$126.83
2009	\$68.13	\$101.79
2010	\$70.38	\$109.60
2011	\$79.36	\$122.32
2012 (e)	\$84.67	\$133.24
2013 (f)	\$87.43	\$140.23
Average	\$79.98	\$123.06

E - Estimate

F - Forecast

(1) Source: PKF "The 2013 Southern California Lodging Forecast"

TABLE 29

HOTEL MARKET PERFORMANCE¹
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

	<u>Occupancy</u>	<u>Average Daily Rate</u>	<u>Annual Supply</u>	<u>Occupied Room Nights Per Year</u>	<u>Occupied Room Nights Change</u>	<u>RevPar</u>	<u>RevPar Change</u>
LAX Market Area							
2007	82.4%	\$103.47	3,730,300	3,075,245		\$85.26	
2008	80.3%	\$105.30	3,865,350	3,104,257	0.9%	\$84.56	-0.8%
2009	74.0%	\$92.09	3,897,150	2,883,407	-7.1%	\$68.15	-19.4%
2010	78.1%	\$90.08	3,897,150	3,044,690	5.6%	\$70.35	3.2%
2011	82.4%	\$96.31	3,897,150	3,211,232	5.5%	\$79.36	12.8%
2012 (e)	83.7%	\$101.21	3,897,150	3,260,271	1.5%	\$84.71	6.7%
2013 (f)	83.5%	\$104.75	3,944,920	3,292,874	1.0%	\$87.47	3.3%
CAC 2007-2013		0.21%	0.94%	1.15%		0.43%	
Los Angeles County							
2007	77.0%	\$165.57	35,607,575	27,401,678		\$127.49	
2008	74.2%	\$170.87	35,178,700	26,112,428	-4.7%	\$126.79	-0.6%
2009	67.3%	\$151.31	34,804,210	23,413,865	-10.3%	\$101.83	-19.7%
2010	71.4%	\$153.54	36,215,440	25,850,980	10.4%	\$109.63	7.7%
2011	75.0%	\$163.04	36,358,702	27,277,951	5.5%	\$122.28	11.5%
2012 (e)	77.7%	\$171.54	36,103,567	28,041,704	2.8%	\$133.29	9.0%
2013 (f)	78.0%	\$179.78	36,273,759	28,293,097	0.9%	\$140.23	5.2%
CAC 2007-2013		1.38%	0.31%	0.53%		1.60%	

E - Estimate

F - Forecast

(1) Source: PKF "The 2013 Southern California Lodging Forecast"

TABLE 30

LAND SALES COMPARABLES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

<u>No.</u>	<u>Description</u>	<u>Address</u>	<u>City</u>	<u>Sale Date</u>	<u>Size (AC)</u>	<u>Size (SF)</u>	<u>Sales Price</u>	<u>Price Per SF</u>
1	Commercial	7403-7415 La Tijera Blvd	Los Angeles	10/4/2011	1.19	51,993	\$3,100,000	\$59.62
2	Commercial	3000-3016 W. Century Blvd	Inglewood	11/22/2011	1.05	45,564	\$1,150,000	\$25.24
3	Commercial	411 N. La Brea Ave	Inglewood	1/18/2012	0.19	8,368	\$195,000	\$23.30
4	Commercial	1112 S. La Brea Ave	Inglewood	3/23/2012	0.35	15,364	\$375,000	\$24.41
5	Commercial	3000-3016 W. Century Blvd	Inglewood	7/20/2012	1.05	45,564	\$1,475,000	\$32.37
6	Commercial	1446 W. 99th Street	Los Angeles	7/23/2013	0.07	2,836	\$150,000	\$52.89
7	Commercial	5908-5912 W. Manchester Ave	Los Angeles	9/10/2013	0.90	39,400	\$1,625,000	\$41.24
8	Industrial	408 Warren Lane	Inglewood	6/3/2012	0.13	5,737	\$79,500	\$13.87
9	Residential	10337-10341 S. Western Ave	Los Angeles	3/27/2012	0.13	5,663	\$390,000	\$68.87
10	Residential	2509 W. Manchester Blvd	Inglewood	8/27/2013	0.46	20,151	\$500,000	\$24.81
<hr/>								
Total Weighted Average								\$37.56
Commercial Weighted Average								\$38.60
Industrial Weighted Average								\$13.87
Residential Weighted Average								\$34.48

Note: Sales data from 10/2/2011 - 10/2/2013; Sales covering the three-mile radius surrounding the intersection of West Manchester Boulevard and South Prairie Avenue, Multi-property sales, non-arm's length transactions and transactions without a sales price were excluded.

Source: Costar 10/2013

TABLE 31

**DISPOSITION OF AGENCY PROPERTIES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA**

<u>No.</u>	<u>Description</u>	<u>Site Area (SF)</u>	<u>Building Area (SF)</u>	<u>Existing Use</u>	<u>Surrounding Uses</u>	<u>Visibility/ Access</u>	<u>Highest & Best Use</u>	<u>APN</u>	<u>Zoning</u>	<u>Date Acquired</u>	<u>Phase 1 Completed</u>
1	Hollywood Park Site (B9) Prairie	174,240	N/A	Casino, Race Track, Parking lots, stables	Residential, Commercial, Forum	Excellent	Mixed-use, residential & commercial	4025011901	HPSP	Mar-11	No
2	Century Site (B3) 3665 102nd Street 3703 102nd Street 3700 Century Boulevard Century Boulevard Century Boulevard	24,625 24,630 150,150 20,288 5,267	N/A N/A N/A N/A N/A	Vacant Vacant Vacant Vacant Vacant	UPS Warehouse, Residential, Industrial, Hollywood Park	Good	Industrial / Warehouse	4032003912 4032003915 4032003914 4032004913 4032004914	M-1L M-1L M-1L M-1L M-1L	Aug-87 Aug-87 Aug-87 Aug-09 Aug-87	Yes Yes Yes Yes Yes
3	Woodworth & 102nd Barton & Woodworth Barton & Woodworth	7,693 7,646	N/A N/A	Vacant Vacant	Residential, Shopping Center	Poor	Park / Open Space	4030007905 4030007906	M-1L M-1L	Aug-08 Aug-08	Yes Yes
4	Imperial & Prairie (B8) Caltrans Site Caltrans Site 11305 Caltrans Site	74,912 5,519 6,070 51,401	N/A N/A N/A N/A	Vacant Vacant Vacant Vacant	Motel, 105 Fwy, Residential, Parking lots, Commercial	Fair	Hotel, mini- storage, multi- family residential	4035018902 4035018903 4035018900 4035018901	C-2A C-2A C-2A C-2A	Sep-94 Sep-94 Feb-00 Oct-94	Yes Yes Yes Yes
5	D-3 Site 205 N. Market Street 223 N. Market Street 228 N. La Brea Avenue 237 N. Market Street 214 N. La Brea Avenue 221 N. Market Street 219 N. Market Street 213 N. Market Street 204 N. La Brea Avenue 215 E. Regent Street Vacant Alley	15,000 15,300 18,828 15,300 7,500 3,750 11,250 3,750 15,000 7,500 7,556	N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A	Parking Lot Vacant Vacant Vacant Vacant Vacant Vacant Vacant Vacant Vacant	Shopping Center, Commercial, LA County Sheriff	Excellent	Mixed-use, residential & commercial	4015028900 4015028901 4015028902 4015028903 4015028904 4015028905 4015028906 4015028907 4015028908 4015028909	C-1 C-1 C-1 C-1 C-1 C-1 C-1 C-1 C-1 C-1	Mar-89 Mar-89 Mar-89 Mar-89 Mar-89 Mar-89 Mar-89 Mar-89 Mar-89 Mar-89	Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes
6	Market Street (D-4) 125 Market Street	17,500	7,694	Comm'l/Ind	Commercial	Good	Mixed-use, residential & commercial	4021008913	C-1	Apr-10	Yes
7	Market Street (D-5) 139 Market Street	14,998	N/A	Vacant	Commercial	Good	Mixed-use, residential & commercial	4021008914	C-1	Jun-10	Yes

TABLE 31

DISPOSITION OF AGENCY PROPERTIES
INGLEWOOD LRPMP
INGLEWOOD, CALIFORNIA

No.	Description	Site Area (SF)	Building Area (SF)	Existing Use	Surrounding Uses	Visibility/ Access	Highest & Best Use	APN	Zoning	Date Acquired	Phase 1 Completed
8	Market Street (D-6 & D-7) 140 Market Street 150 Market Street	13,875 9,250	N/A N/A	Vacant Vacant	Commercial, bank, dance studio	Good	Mixed-use, residential & commercial	4021007904 4021007906	C-1 C-1	May-99 Dec-02	Yes Yes
9	Senior Center Development (SC-1) 111 Locust Street 335 Queen Street	16,649 16,832	N/A N/A	Vacant Vacant	Salvation Army, residential, commercial	Good	Mixed-use, residential & commercial	4021007903 4021007905	C-1 C-1	Dec-04 Nov-01	Yes Yes
10	Parking Structure (P-1) 115 Locust Street	6,958	N/A	Parking Structure	Residential, commercial, Chamber of Commerce	Good	Parking Structure	4021010900	C-1	Sep-98	N/A
11	Parking Structure (P-1) 104 Queen Street	50,939	N/A	Parking Structure	City Hall	Fair	Parking Structure	4021009909	CC	Sep-01	N/A
12	Glasgow & Olive (K-1) 315 Glasgow 327 Glasgow 343 Glasgow 347 Glasgow 900 Olive 912 Olive 916 Olive 920 Olive	25,553 31,935 19,135 12,764 12,053 5,410 6,597 6,599	N/A N/A N/A 5,724 N/A N/A N/A N/A	Vacant Vacant Vacant Comm/Wind Vacant Vacant Vacant Vacant	Car dealerships, Home Depot, Commercial, Warehouses	Fair	Car storage for dealership, warehouse	4126008908 4126008905 4126008909 4126008906 4126008904 4126008902 4126008901 4126008907	M-1 M-1 M-1 M-1 C-3 C-3 C-3 C-3	Mar-01 Mar-01 Mar-01 Mar-01 Mar-01 Mar-01 Mar-01 Mar-01	Yes Yes Yes Yes Yes Yes Yes Yes
13	Prairie & 101st Site (B-1) 10117 Prairie Avenue	48,007	N/A	Vacant	Commercial, residential, vacant land	Good	Commercial	4034005900	CZ-A	Mar-93	Yes
14	102nd Street (B-2) 3822 Century Boulevard 3831 102nd Street 3843 102nd Street 3851 102nd Street 3821 102nd Street	14,351 22,194 22,194 45,491 29,804	N/A N/A N/A N/A N/A	Vacant Vacant Vacant Vacant Vacant	Motel, storage, Industrial	Good	Commercial, flex / Industrial	4032002913 4032002914 4032002915 4032002916 4032002917	M-1L M-1L M-1L M-1L M-1L	Jan-90 Apr-91 May-92 Apr-92 Apr-74	Yes Yes Yes Yes Yes